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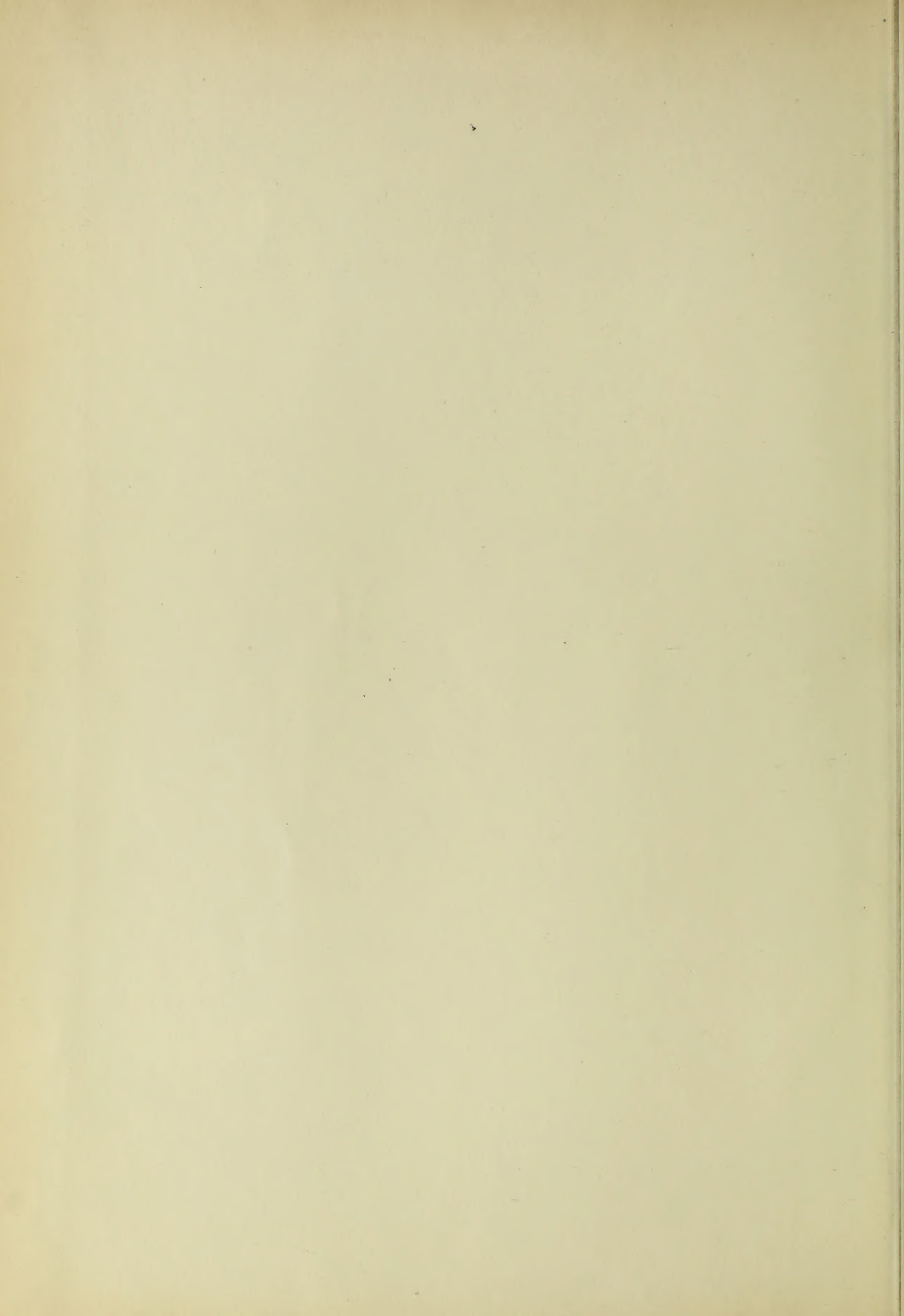
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Class No.	636.9
Book No.	B63
Acc. No.	20023
Date	12 / 17 / 31





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THE FUR INDUSTRY



THE FUR INDUSTRY

A Thesis

Submitted to the

College of Business Administration

of

Boston University

By

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for credit toward the degree of

Master of Business Administration

1931

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Preface.

The Fur Industry is not only of national but also of international importance; therefore, it plays an important part in our historical and commercial relationships with over fifty countries in the world. The industry embraces practically all modern methods of carrying on trade. It is an essential industry that both directly and indirectly benefits thousands.

In writing this paper the author's purpose was to gather as much of the published material as was available in scattered form. Furthermore, his aim was to bring much information up-to-date and to supplement this by personal interviews in order to present, from the technical viewpoint, the material correctly.

That there was need for making a study of the industry is evident from the current reports concerning the activities of such a complex business. It is hoped that this paper will stimulate soon, enough interest to begin the necessary improvements.

The author wishes to acknowledge his indebtedness to all who encouraged him in his research, and who contributed any information which threw light on this subject.

John E. Bobula.

February, 1931.

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Chapter 1

Introduction

The historical development of the fur trade in general will be briefly presented for the purpose of laying the necessary foundation for the material that is to follow. The reason for this is primarily to refresh the readers' memory of the importance of furs in commerce, as raiment, as tokens, and as media of exchange.

You will recall that during the medieval period the bulk of exports from northeastern Europe were raw materials to provide for the few wants existing at that time.

"The Northeast had no textiles to offer to the rest of Europe, but in its furs it had a substitute for them which was most highly prized. The furs included not only the finer varieties, the use of which was restricted to the upper classes, but also common grades that were desired as much for their warmth as for their appearance. Houses were so poorly heated that comfort was impossible without thick clothing. We can understand, therefore, the complaint of a German bishop who said that 'we strive as hard to come into the possession of a marten skin as if it were everlasting salvation'.¹"

Fur is a commodity that is found in almost every country of the world. Nearly all religions and all races are represented in the fur trade. As a large volume of busi-

1. "History of Commerce" - Clive Day, PH.D. p.103

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ness is carried on internationally each year, it tends to keep furs well on the list of imports and exports for over fifty countries in the world. It is but necessary to visualize trappers and hunters in every part of the world in order to get some idea of the commercial importance of the fur trade, the oldest of all pursuits.

In the early days, furs were important as raiment. Man had to protect himself against cold weather in the days before the manufacturing of clothing was known. Therefore, by following the instinct for self-preservation, he hunted and trapped fur bearing animals for food and raiment. Today, furs are recognized as necessary wearing apparel. In many instances they are worn just as much for the sake of adornment as for protection against cold weather. The modern woman must have some kind of fur garment included in her wardrobe. Fastidious folks wear the best quality and most stylish garments. They generally have several kinds to choose from to wear for a particular occasion. With the increasing popularity of football games and the increased number of people that are driving their cars all year round, more men and women are seen wearing fur coats during the Fall and Winter season.

Furs are also important as tokens. A representative number of skins and stuffed animals are on display at the

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Museum of Natural History in Boston. The biennial Sportsmen's Show held in Boston exhibits many common, rare and unique furs. Sportsmen and hunters lose no time in bringing their catch to a taxidermist to be stuffed and mounted or to a furrier to be made into a rug or garment.

The International Fur Exposition held in Leipzig last summer gives conclusive proof of how tokens are cherished by the fur trade. Many interesting tokens were displayed by the twentytwo countries that participated. The antlers of a sixty-six point stag, shot nearly 300 years ago by a German Prince, was according to all reports, one of the most notable displays.

"Besides the modern exhibits of furs, hunting trophies, equipment, and the methods and processes of the fur industry, a series of exhibits representing the uses of fur in all ages, the history of the chase, wild game in art, and the importance of conservation measures were among the important features of the Exposition." ^{1.}

Trade was carried on before the present money system was established. At first one thing was exchanged for another under the barter method. Then furs, particularly beaver skins, dried corn, dried peas, lead bullets, and cattle were used as the early media of exchange. Beaver had an established market in England at that time. Even today, beaver skins are used as a media of exchange in certain sect-

1. "Fur Trade Review"-No. 8. May, 1930. p. 24.

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ions of the world.

"The trading is done in several ways. Among the Eskimos, whose arithmetical powers seldom exceed a few units, the trader holds up his hand with one, two, three fingers raised, signifying that he offers for the skin before him equivalents in value to one, two, three prime beaver. If satisfied, the Indian passes over the furs and the trader gives flannels, beads, powder, knives, tea or tobacco to the value of beaver skins indicated by the raised fingers. If the Indian demands more, the hunter and trader wrangle in pantomime till compromise is effected.

"But always beaver-skin is the unit of coin. Beaver are the Indian's dollars and cents, his shillings and pence, his tokens of currency.

"South of the Arctics, where native intelligence is of higher grade, the beaver values are represented by goose quills, small sticks, bits of shell, or, most common of all, discs of lead, tea chests melted down, stamped on one side with company arms, on the other with the figures 1, 2, $\frac{1}{2}$, $\frac{1}{4}$,
1.
representing so much value in beaver."

1. "Fur Trade of America." Agnes C. Laut. p 260.

Chapter 2

A Review of The Importance of Furs in the Historical Development of This Country

The quest for fur bearing animals played a more important part in the discovery and historical development of this country than most people realize. Records show that the fur trapper often preceded the explorer in setting foot on new territory. Numerous books dealing on this subject point out that the fur trapper was, in many instances, the first white man with whom the Indians came in friendly contact or bitter conflict.

A Fur Trade Bibliography compiled by Mrs. Irving K. Marks,¹ for her husband, contains among other books, the following bearing on this topic:

Frontiers and the Fur Trade.	-	Greenbie
Trail Makers of the Northwest.	-	Hawarth
Beyond The Old Frontier	-	Grinnell
American Fur Trade of the Far west.		Chittenden
Fur Traders of Columbia River and Rocky Mountain.	-	Irving
Fur Traders of the Far west.	-	Lieffy
Adventures in Oregon.	-	Skinner
Masters of the Wilderness.	-	Reed
Wilderness Trapper.	-	Thompson
50 Years a Hunter and Trapper.	-	Harding
Fur Trade and Early Western Ex- ploration.	-	Vandeveer

1. Personal Interview,
Mr. Irving K. Marks,
Joseph Ullman, Brokerage Corp.,
376 Seventh Ave.,
New York City.

A Review of The Importance of Furs in the Historical Development of This Country

This list represents but a small percentage of the books written on this subject. However, it is presented as a fair sample of the available material, and primarily to have you realize the prominent part that the pioneer fur trader played in the early days upon the latter development and growth of this country.

1.

According to Mr. W. J. Brett, the original chains of many famous trading companies that are mentioned in history, were promoted from mere trading posts. As examples he mentioned the Hudson Bay Co.; Astor's; North Western Fur Co.; American Fur Trading Co.; Columbia Fur Co.; Missouri Fur Co.; Pacific Fur Co.; Rocky Mountain Fur Co.; Russian-American Fur Co.; and Southwest Fur Co. He pointed out that the fur trapper was the pioneer in discovering the North West, the Mississippi River and west of the Mississippi, that many of our big Western cities located on rivers were built up from small trading posts. He stated that the history of the early American settlements of New England, New York, and Virginia were originally influenced by the pioneers searching for furs.

The work of the free trapper was important in this connection. He was, as a rule, the first to enter new territory while in search for furs and the first to make friends or enemies of the Indian Tribes. The names of Potts, John

1. Personal Interview,
Mr. W. J. Brett, Editor,
Fur Trade Review,
224 West 30th St.,
New York City.

A Review of The Importance of Furs in the Historical Development of This Country

first manufacturer; and his discovery that a pelt would make clothes for himself and his family led far afield to exploration of half the world. It was the little beaver who led discovers up the St. Lawrence to the Great Lakes, and from the Great Lakes down North to Hudson Bay and down South from the Mississippi to the Rio Grande, and down the Mackenzie to the Arctic, and across the mountains down the Columbia to the Pacific. It was the little beaver who led Peter Skene Ogden's fur brigade from the mouth of the Columbia across what are now the States of Montana, Idaho, Washington, Oregon, Nevada, Utah, and Northern California.

"And it was the little sable who led the Cossacks across Russia to what is now Kamchatka; and it was the sea otter who led the Russians, Americans, Spaniards and Englishmen around the world in crazy little cock-shell sail boats to explore the Pacific Coast from the Golden Gate to Bering Sea." ^{1.}

"Lewis and Clark rightly merit the fame of having first explored the Missouri-Columbia route; but years before the Louisiana Purchase, free trappers were already on the Columbia. David Thompson, of the North-west Company was the first Canadian to explore the lower Columbia; but before Thompson had crosses the Rockies, French hunters were al-

1. "The Fur Trade of America." - Agnes C. Laut. p. 1.

A Review of The Importance of Furs in the Historical Development of This Country

ready ranging the forests of the Pacific slope." ^{1.}

"Before 1812 there was no international boundary in the fur trade. But after the war Congress barred out Canadian companies. The next curtailment of hunting ground came in 1869-1870, when the company surrendered proprietary rights to the Canadian Government, retaining only the right to trade in the vast north land." ^{2.}

When the United States purchased Alaska from Russia in 1867, the seal herd on the Pribilof Islands came under Government control. Independent groups were allowed to kill fur seals for the next two years. Then the Government leased the sealing privilege to private companies for almost half a century. The Alaska Commercial Company was granted a twenty year lease of the sealing privilege in 1870. When this lease expired in 1890, the Government leased the sealing privilege to the North American Commercial Company until 1910. Thereafter, the Government carried on the sealing operations under direct control and for its own account.

The alarming waste and loss caused by pelagic sealing was discontinued in 1911, under the terms of the fur seal convention drawn up between the United States, Great Britain, Japan, and Russia. What has been accomplished since this agreement was made twenty years ago will be covered in

1. "The Fur Trade of America." Agnes C. Laut. p.273.
2. "The Fur Trade of America." Agnes C. Laut. p. 269.

A Review of The Importance of Furs in the
Historical Development of This Country

Chapter 5 "Government Regulation and Conservation Methods."

It should be recognized that the fur trade was and shall continue to be, not only of national but also of international importance as far as the history of this country is concerned. At the outset of American history the fur trade was an impetus to discovery and colonization. It was a very important source of income to the colonists. It brought about rivalry and war. It had an important influence on the westward movement, for it was the fur trapper and hunter that blazed the trail and pointed the way to the missionary and settler. Some of our largest and most important cities grew up from fur trading posts. Funds used for making improvements in other directions were in many instances obtained by trading in furs. Fur merchants in this country are now members of the International Federation of the Fur Industry which was formed at the First World Fur Congress, held in Leipzig during the last week in June, 1930, for the purpose of promoting and protecting the world's fur trade in the future.

Chapter 3

Past and Present Sources of Raw Fur Supply

List of some of the Pelts Used

In the early days a plentiful supply of fur bearing animals was to be found in those sections where the climate was suitable. Enough animals could be trapped in the woods to satisfy the requirements of that time. The encroachment of civilization, overtrapping and failure to conserve this natural resource, tended to rapidly diminish the supply, to push the remaining animals farther back into the woods, and to make some species extinct. This condition had to be corrected by exercising control over trapping and other means of conserving wild life. Although practically the same sections of the world supply the desired furs today as before, this supply must be supplemented by furs produced on fur farms and ranches.

To serve our present purpose, furs may be classified roughly into two main groups: the pelts of wild animals and the pelts of such domestic animals as pony, lamb, kid, dog, and house-cat.

Wild furs from the temperate zones of both hemispheres are considered to be a by-product of agriculture. The same is also true of domestic furs which are chiefly of Asiatic origin.

Trapping is carried on as an industry in itself only in the frigid zones, and as far as civilized commerce is

Past and Present Sources of Raw Fur Supply

List of some of the Pelts Used

concerned, trapping in the frigid zones is of far less significance than it is generally believed to be. For instance, it is estimated that the value of furs from Canadian sources is about a fourth of the annual collection of furs in this country. The annual collection of furs in Soviet Russia, for Commercial purposes, is equal in value to about a half of the annual collection in the United States.

"In the past, furs were principally obtained by trapping, today this method is still continued and in addition we have Fur Ranch Farming. Some of the farms have as much as 100,000 acres. The marsh lands of Louisiana breed Muskrats, Mink, Opossums and Skunks. The Northern ranches are devoted principally to Silver Fox Farming. The ranches that are close to the Great Lakes and the Atlantic seaboard are considered most suitable for this purpose, as the salt air has a tendency to develop the top hair to a much finer degree."¹

The three greatest fur preserves in the world are Alaska and the United States, Northern Canada, and Siberia. In addition to the large supply of furs available in this country, we import raw and dressed furs from over fifty countries. Our chief source of foreign supply includes,

1. Letter. Mr. Julian A. Cohen, V. Pres. & Treas.,
Joseph Hollander, Inc.,
Wilson Avenue Cor. Paris Street,
Newark, N. J.

Past and Present Sources of Raw Fur Supply

List of some of the Pelts Used

among others, the following nations:

Africa.	Columbia.	Mongolia.
Afghanistan.	Czecho-Slovakia.	New Foundland.
Algiers.	Denmark.	New Zealand.
Arabia.	England.	Norway.
Argentina.	Egypt.	Nova Scotia.
Asia.	Finland.	Persia.
Australia.	France.	Peru.
Austria.	Germany.	Roumania.
Bavaria.	Greece.	Russia.
Belgium.	Holland.	South America.
Bolivia.	Hungary.	Spain.
Brazil.	India.	Sweden.
Canada.	Italy.	Switzerland.
Chile.	Japan.	Turkey.
China.	Mexico.	Venezuela.

The chief source of supply of sealskins is the Alaskan herd, which frequents the Pribilof Islands, north of the Aleutian Islands; the Cape of Good Hope herd, which as its name indicates, frequents the south end of Africa; the Japanese and Russian herds, which are smaller than either the Alaskan or Capes; a smaller herd which frequents the Lobos Islands, off the coast of Uruguay; and the so-called Northwest Coast herd taken off the Northwest coast of Canada,

Past and Present Sources of Raw Fur Supply

List of some of the Pelts Used.

which are really part of the Alaskan herd." 1.

The United States is well recognized as a large producer of raw furs.

"Leading Fur Producing States." 2.

According to the Department of Commerce, the following totals represent the values of the fur catch from the different states mentioned in the season of 1928-29."

Louisiana	\$5 528 982.
Arkansas	3 250 000.
Michigan	3 000 000.
Minnesota	2 399 200.
Pennsylvania	2 321 906.
Tennessee	2 000 000.
New York	1 754 000.
Wisconsin	1 341 000.
Texas	1 000 000.
Nebraska	759 000.

"Your American Fur Supply at a Glance," a map 3. reproduced and appended at the end of this chapter, shows the source of our raw fur supply and the open or closed season dates for all protected fur bearing animals, as compiled for the 1930-31 season in accordance with the game law. It also contains

1. "Letter. Mr. B. L. Lange, Chief Chemist
Fouke Fur Company,
1328 South Kingshighway,
St. Louis, Mo.
2. "Fur Trade Review" May 1930, No. 8 p. 34.
3. Map given by Isaac A. Schoen & Sons, Inc.
249 West 29th St.,
New York City.

Past and Present Sources of Raw Fur Supply

List of some of the Pelts Used

a list of unprotected fur bearing animals for the current season.

An excellent paper on "American Raw Furs,"^{a.} was presented at the 1st World Fur Congress held in Leipzig, Germany, in June 1930, by Mr. Irving Herskovits,^{1.} of New York. This paper clearly presents not only the source, but also the quality of the furs trapped in this country. Furthermore, it helps to give a much better understanding of the map, "Your American Fur Supply at a Glance," reproduced in connection with this thesis.

Mr. Herskovits points out that, "The principal fur-bearers in the U. S. A. and Canada are Muskrat, Opossum, Skunk, Raccoon, Mink, Weasel, Red Fox, Grey Fox, Silver Fox, Cross Fox, Beaver and Otter."

List of some of the Pelts Used

Badger.	Lamb.	Opossum.
Baum Marten.	Leopard.	Rabbit.
Beaver.	Lynx.	Raccoon.
Ermine.	Mink.	Sable.
Fitch.	Muskrat.	Skunk.
Fox.	Nutria.	Squirrel.
Kolinsky.	Ocelot.	Stone Marten.

1. Report No. 44. Presented to the 1st World Fur Congress, Leipzig, 1930, by Mr. Irving Herskovits. New York.

a. This paper is appended at the end of the chapter.

American Raw Furs

By IRVING HERSKOVITS, New York

Raw Furs originating in the North American Continent should be divided into several divisions. In the far North, around the Arctic Circle, both on the Canadian as well as the Alaskan side, the principal fur is White Fox, with a few Red Fox. In Canada there are the Beaver, Marten, Mink, Fisher, Weasel, Wolf, Red Fox and Lynx, whilst the most important Fur Bearer is the Muskrat. Besides these the Dominion produces some Skunk and Raccoon. The main source of wild Silver Fox is also in Canada, but the domesticated or farmed Silver Fox are located in Prince Edward Island and in practically every other Province of the Dominion. Alaska produces similar Furs to those from Canada, as well as Blue Fox, which breed on the Islands.

I do not believe that the IPA desire me to write only about the assortments of Raw Furs originating in U. S. A. and therefore I will proceed by dividing the U. S. A. into several sub-divisions, but before going ahead please note the following: —

A.

The principal fur-bearers in the U. S. A. and Canada are Muskrat, Opossum, Skunk, Raccoon, Mink, Weasel, Red Fox, Grey Fox, Silver Fox, Cross Fox, Beaver and Otter.

Muskrat in the fall of the year is at its poorest, but is at its best towards the Spring.

Opossum also is poorest in the Fall and best during the middle of January, after which month it commences to shed and becomes what is called in the Trade "springy".

Skunks are usually at their best about the end of December, and whilst during January they are still prime, they soon commence to get "springy".

Raccoon are best during the early part of January, but their colour fades towards the end of January and February. In the U. S. A. almost all the Raccoon that are used for Coat purposes, are being touched up with a dark blend that has proved quite satisfactory.

Mink and Otter. Their colour is at its best in the fall and early winter. The Mink and Otter are the first of the Fur-Bearers to shed and turn "springy".

Other Fur-Bearers are at their best during the middle of the winter.

B.

It is peculiar, but nevertheless true, that the Muskrat, the principal fur-bearer of the U. S. A., is not at its best in the Northern States. An example is Minnesota, Maine, North Dakota and the Northern Peninsula of Michigan. The Muskrat found in these regions are small in size and weaker in pelts.

Opossum while not prevalent in the Northern States is better in the central States than in the Southern States.

Skunks are best and largest in the North-Western States as well as in the New England States, but in spite of this the Canadian skunk are much inferior and weaker in quality than those coming from the North Western and New England States.

Mink are best in Northern regions, and the further South one goes the poorer the Mink become.

Raccoon are the best in the North Western and New England States, the poorest kinds coming from the Southern States. Canadian Raccoon, however, are an exception, these being rather heavy in quality, but woolly.

Wolf, Red Fox, Grey Fox, Beaver and Otter are regular in that one finds the best qualities in the Northern regions.

On submitting this Report on American fur-bearing animals I am appending hereto some valuable information on the principal fur-bearers. This information has been prepared by an expert in America, especially fur use in one of my recent booklets, which I have sent to my Trapper Customers during the past Season.

I should like to refer you to page 14 in this booklet, showing the Game Laws or Open Season for the taking of fur-bearing animals in the various States. These Game Laws in nearly every State are very strict, and, in the principal fur producing areas, only two months are allowed for the actual trapping. This has been found absolutely necessary in view of the depletion of the Fur supply existing in the U. S. A. today.

Many States, like Louisiana, South Carolina and Montana, derive a revenue from the fur-bearing animals produced in their respective States. Louisiana is the best example of this, and takes a severance tax, paid on every skin shipped out of the State, the tax varying according to the species of skin. On every Muskrat shipped out of Louisiana the Shipper pays 1 cent, Mink 5 cents, Otter 25 cents and so forth.

Maine, New Hampshire, Vermont, Massachusetts, Rhode Island and Connecticut, known as the New England States, produce the finest Furs obtainable in the U. S. A. This section of Mink, Muskrat, Raccoon, Red Fox and Skunk can be, and should be, graded together, unless a sufficient quantity is available, in which case Maine Furs should be kept distinct from the others, in view of the fact that the State of Maine ranges so far north and south that Furs originating in the Northern Zone are also quite different from those prevailing in the Southern part of the state. The Mink from Northern Maine are very fine, whereas the Muskrat and Skunk are rather thin in quality, the Muskrat being somewhat papery-pelted.

Northern New York Furs should be offered and kept distinctly separate from all others. With the exception of Eastern Ontario the Northern part of New York State produces the finest Muskrat available, the pelts are both large and strong, and so may be used either for natural purposes or for sealing, since they have a tremendous amount of underwool. The Skunk also are large and of very good quality.

The Mink are of good colour and quality, but are not quite so silky as those produced in the New England States. Raccoon, Red Fox, Grey Fox and Weasel are also very fine. Furs originating in Central and Southern New York, Pennsylvania, Central Ohio and New Jersey can be intersorted. In these States Opossum exist in large numbers, but oddly enough no Opossum are to be found in New York State. The Opossum originating in Pennsylvania and Central Ohio are of very good quality, and are probably the second best grade of Opossum produced in the U. S. A.

Northern Ohio, Northern Michigan and Indiana, with the exception of the Upper Peninsula, produce similar Skunk, Muskrat, Raccoon, Mink and Foxes. Michigan has practically no Opossum, but Northern Ohio produces a few very fine Opossum. The upper Peninsula of Michigan produces choice Mink, Beaver and Foxes, which Furs compare favorably with those of the northern part of Maine. The Muskrat from the northern Peninsula run rather small in size, but are of good quality. In Michigan one finds sections where Skunk, while of good quality, are not very large in size, so that an assortment of sizes is also necessary when offering Michigan Skunk.

Central Indiana and Central Ohio produce medium-sized Skunk of fair quality, and Muskrat of exceptionally large size with a rather heavy pelt, but of only fair quality. This grade of Muskrat is principally used in Canada and the U. A. S. for blending purposes. The Mink are fair in quality, but the Raccoon, though rather heavy-pelted, are not quite so heavy as those from New York State or Michigan. This section also produces fair numbers of Red and Grey Foxes and also Weasels, both white and brown. The Opossum are of exceptionally good quality and compare favorably with the Pennsylvanian and Ohio kinds.

Southern Indiana, Southern Ohio, Kentucky, Tennessee and West Virginia. This section produces a rather large Muskrat with a boardy pelt of poor quality. The Skunk are medium to small in size and the Opossum are only fair. The Raccoon are of fair quality, are rough in the fur and are used principally for coat purposes. Red Foxes are poor, whereas Grey Fox run fairly good in this particular section.

Maryland and Delaware. This section, together with Southern New Jersey, is the home of the Black Muskrat, and in the marshes the percentage of Black Muskrat to Brown varies from 18 to as high as 40 per cent. The quality is rather good and the pelt fairly heavy. Black Muskrat are also found in the marches Virginia and of North and South Carolina in fair quantities. Maryland and Delaware also produce furs similar to, but not so good as those from the State of North Carolina.

Eastern Tennessee and Eastern Kentucky. Mink during the Fall and early Winter are good in colour and are usually mixed with the North Carolina Mink. The mink coming from the rest of the States of Tennessee and Kentucky, as well as from Southern Indiana and Southern Ohio, are somewhat poor in quality.

North Carolina and Virginia produce a very good short-haired Mink, and the colour of these Mink in Fall and early Winter is exceptionally dark. The Mink that is usually offered as from Carolina, is a mixture of good coloured Southern Mink with rather long wiry hair, and is only a Trade name, this having originated some 15 years ago. Virginia and Northern Carolina produce a medium grade Opossum, the size of which is usually not so large as that of those from the States of Ohio and Pennsylvania. The Skunk are of medium to small size and only fair in quality. Black and shortstriped skins are most prevalent. The Muskrat are somewhat boardy-pelted and are of fair size. The Raccoon, which are usually handled cased by Trappers, have good colour during the Fall and early Winter. Foxes are of the Central type and a great many brown Weasels are found in these two States. The otter are extremely beautiful, both in colour and quality, during the first half of the Trapping Season.

Southern Carolina, Georgia and Alabama produce a poor grade of Opossum, usually handled open by Trappers, and are of medium size. The Raccoon from these states are also handled open and are principally used for coat purposes. The Muskrat are of a large boardy type. Foxes are similar to the Centrals and a good number of Otter are found here, the colour of which in the Fall and early Winter, is exceptionally good. South Carolina and Georgia produce what is commonly known

as Fishmink, their habitat being in the salt water, very short in hair and only during the early Fall are they good in colour. They turn red at the beginning of the Winter. In the northern part of South Carolina, however, a Mink similar to real North Carolina Mink prevails. In some parts of Georgia there are some very beautiful short-haired Mink, particularly at the beginning of the Trapping Season. The Skunk are of poor quality and rather small in size.

Florida. The northern part of Florida produces a somewhat flat but finely coloured Otter during the first part of the trapping Season. The raccoon are also flat but uniform and are used in the U. S. A. exclusively for Coat purposes. Opossum is handled open and is of poor quality. Very little other Fur-Bearing animals are produced in Florida. Southern Florida Raccoon, Opossum and Otter are extremely poor and are usually mixed with Southern Texas skins.

Northern Illinois and Southern Wisconsin produce skunk of very fine quality and exceptionally large size, which are principally narrow-striped. The Muskrat are of large size, good quality and suitable for Hudson Seal purposes. The Raccoon are large in size and very heavy. Foxes also are good and the Mink are silky-furred.

The Northern part of Wisconsin produces Beaver of fair quality, a few Wolf and many White Weasels. The Muskrat are rather thin pelted and medium to small in size. The Mink, however, are of good colour. The Skunk and Raccoon from this State are very large and heavily furred.

Minnesota, Northern Iowa and North and South Dakota. With the exception of Muskrat the furs from this Section are practically the same. The Muskrat in Northern Iowa are somewhat better in size, whereas in Minnesota and North and South Dakota their size is only medium and they are rather thin-pelted. The Skunk and Raccoon are of exceptionally large size and are heavily furred. In this Section the trapping of Skunk and Raccoon is usually permitted before the 1st of November. The Mink are of large size, only fair in colour but good in quality. A large number of White Weasels are produced in this Section, also some Foxes and a few Wolf.

Southern Iowa, Northern Missouri, Kansas and Nebraska. This section is the home of the Civet Cat, where the best and largest skins are obtained. The Skunk, which are very good, vary from medium to large sizes, and run approximately 50% Black and Short, with only a small percentage of White, the balance being quite narrow and straight. The Opossum produced here are the best for quality and size of all those taken in the U. S. A., whilst the Muskrat are rather large and of fair quality, with a somewhat heavy pelt. They are used principally for blending purposes. The Mink are large and of fair quality, but the Raccoon, on the other hand, are good, and the Foxes of medium grade only. A great many brown Weasels come from this Section.

Southern Missouri, Northern Arkansas. The Opossum which originate here are of large size and good quality, equal to but not similar to the Ohio Opossum. This is the location of the New Madrid Country where the beautiful square-handled Raccoon breeds. These Raccoon are of nice quality, having a very uniform medium length fur, and are usually of good colour throughout most of the Trapping Season. The Skunk are medium to small in size, and average from 70% to 75% Black and Short. The Foxes are of the Central variety, as are the Muskrats, these latter being of large size, poor and heavy pelted. Civet Cats also are very numerous in these States, but are only of fair grade. The Mink are pale in colour and of fair quality and size, and there are also a few Otter and Brown Weasel.

Southern Arkansas, Northern Mississippi and Northern Louisiana produce a medium grade Opossum, but a fairly good Raccoon, similar to, but not quite so large and heavy-furred, as the New Madrid type. The Mink are of the Central type. The Skunk are small in size, with an unusually large proportion of Blacks and Shorts. The Civet Cats are poor and usually have white tips to their tails.

Northern Texas and Oklahoma. This Section probably produces more Skunk and Opossum than any other similar area in the U. S. A. The Skunk from the Pan Handle Section of Northern Texas are extremely large and of fairly good quality. The Raccoon and Mink are also of large size, rather wiry and pale-coloured, but of fairly good grade. The Opossum are well-sized, of fair quality, but wiry-haired. The Civet-Cat also are good, and the Wolf that originates here is more of the Western than the South-Western type. The climate in this particular area is very cold in Winter, in spite of the fact that it is pretty far South, so that undoubtedly nature provides the fur-bearing animals here with a good coat of fur during the winter months. Some Badger, Swiftfox and Ringtail Cats come from this District.

Southern Texas produces a great many poor quality Opossum, Skunk, Wolf and Badger.

Montana, Idaho and Wyoming. This is the home of the Coyote, which are of high grade and large in size, and are the best kind of Coyote or Wolf produced in the U. S. A. A great many fair quality Muskrat, similar to the Minnesota type but paler in colour, originate here. A few Skunk and Raccoon, of exceptionally large size, are trapped every year. The Weasels are fairly good, and some Marten and Beaver also originate here.

Colorado, Nevada and Utah. Also the home of the Prairie Wolf, in fact this is the habitat of the bulk of the Wolf from the U. S. A. They are of medium quality and coarser than those coming from the States of Montana, Idaho and Wyoming. The Skunk and Raccoon also are of large size and fair quality. The Muskrat are small, very pale in colour and thin pelted. A great many pale Beaver are trapped here when Law permits.

Oregon, Washington and California. Furs produced in this Section are extremely coarse and wiry. The Raccoon and Wolf are of medium grade but wiry, and the Muskrat are of the

Western type. The Beaver are large but pale, and the Weasel of fair quality. Some Mink and Foxes are produced in these States.

Arizona and New Mexico principally produce Wolf and Swiftfox of medium to poor type.

Louisiana. The largest fur-producing area in the U. S. A. is located in Louisiana. The single State of Louisiana produces more Furs than the whole of Canada and Alaska combined. The crop of Muskrat last year was estimated at slightly over 5,000,000. This species of Muskrat is entirely different from that prevailing in either Canada or any other part of North-America, with the exception of the Eastern District of Texas, whose marshes produce approximately 250,000 Muskrats a year. Louisiana also produces large quantities of Opossum, Raccoon, Otter, Mink and a few Skunk and Civet Cat. This area consists principally of marshland, with an abundance of food on which fur-bearing animals thrive, particularly the Muskrat whose principal food is the root of the three-cornered grass. More study has been given to the habitat and to the investigation of the fur-bearing animals in Louisiana than in any other area in the U. S. A. Scientific experiments are continually taking place.

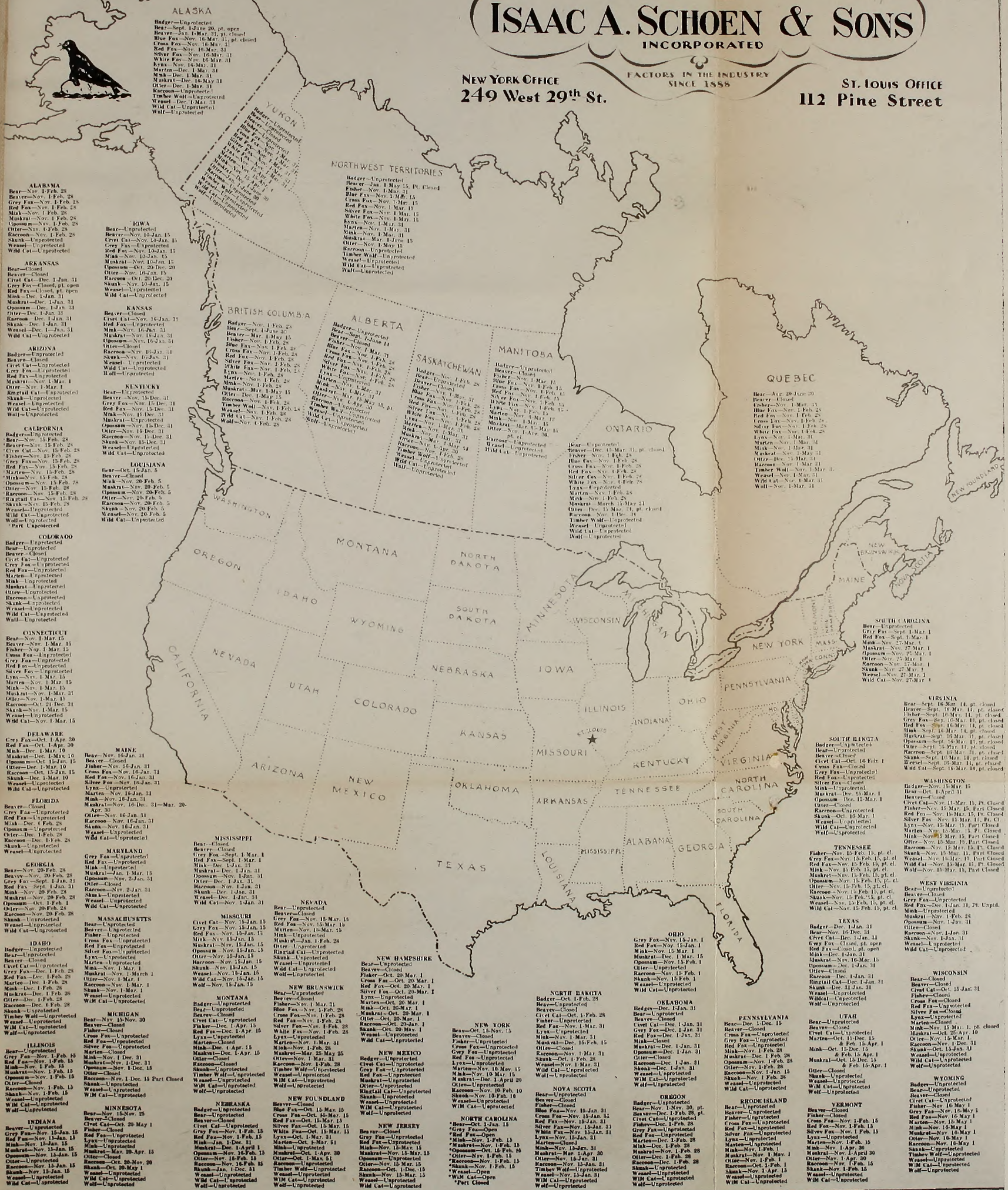
Your American Raw Fur Supply at a Glance 1931

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SINCE 1888

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Chapter 4

Marketing Raw Furs 1.

The marketing of raw furs is a national and international industry. It is largely a simple process within each country, with slight variations here and there depending on the source of supply.

Practically every farmer and farm boy devotes his attention to fur trapping during the open season in order to increase his revenue by the sale of this natural resource. As it would not pay one man to send his small catch directly to the nearest principle market, he deals with a collector.

A collector or itinerant buyer is a man working for himself, or employed by some large fur house located in a principle fur center. The men engaged in collecting furs throughout the world must be patient in trading, they must be shrewd in dealing, and they must have courage to face the danger and privation that goes hand in hand with this work.

In America, the traveling buyer is working hard from the first of November to the end of March. Despite the weather, he leaves early in the morning to cover a certain locality before nightfall by automobile, buggy, sleigh, or on snowshoes. Upon reaching a farmhouse he announces his mission. In a few moments he is engaged in carefully examining and pricing the farmer's catch, and complaining about

1. Personal Interview. Mr. Nathan Taft, Dealer
115 W. 30th St., New York City.
Mr. R. L. Ridley,
New York Auction Company, Inc.,
226 W. 26th St.,
New York City.

Marketing Raw Furs

the existing market conditions so that the seller will not hold out for a high price. Then the buyer and seller compare their figures. The former submits the lowest he dares to, while the latter has the highest possible for each kind and grade of pelt offered for sale. Naturally, this leads to a period of haggling, and if an agreement is reached, the buyer pays for the furs and takes them away.

This procedure is repeated at every place where the buyer stops. As soon as he has a large collection, he sends it to his own or his employer's central headquarters.

Today, both the buyer and the seller have about the same current information concerning the existing market conditions. From time to time the buyer receives specifications concerning the number and kind of pelts needed and the top price limit on each grade. Like the seller he can get reports by radio. The seller is not entirely dependent on the traveling buyer. He may sell to the local general store or to one of the many receiving houses from which he receives price lists with current quotations. Differences of opinion and disappointments are bound to occur to both parties of a transaction. At times the seller is likely to feel that he didn't get enough for his catch, while the buyer is likely to feel that he paid too

Marketing Raw Furs

much. It depends on the confronting situation, for a collection looks more valuable at the farmhouse than it does on the floor of a receiving house, where it can be compared as to price paid (consistent with quality) with thousands of other shipments on hand.

The method of collecting furs in other countries is similar to the method in the United States. Trading is harder because the less developed countries do not have as good facilities for this purpose. More haggling and trickery is evident. Greater difficulties exist because of the lack of adequate means of communication and transportation. Naturally, the collection passes through more hands than it does in this country before reaching the market.

A number of the leading fur houses in the United States send buyers to all parts of the world. Other firms maintain foreign branches with a resident buyer in charge. Foreign countries also use this method of collecting desirable furs by having representatives in all parts of the world where furs are to be obtained.

The collection of raw furs is of more or less importance in every fur producing country in the world. It offers a livelihood to professional trappers and also furnishes additional revenue to farmers and others that engage in trapping furs during their spare time. The trappers in turn may sell their local catch to an itinerant buyer, the local general store, or a receiving house.

Marketing Raw Furs

These collectors, in turn, may sell to dealers, manufacturers, brokers, or speculators. In due time the pelts reach the warehouse of some raw fur merchant specializing in certain kinds of pelts or handling a general line. He may dispose of them at a private sale or by offering them at an auction sale. Approximately ninety per cent of the pelts are sold this way in the raw state, the other ten percent having been previously sold to dealers or manufacturers.

All furs must be in the auction company's warerooms at least thirty days before the opening auction date. Each shipper's pelts are graded, assorted, and evaluated. Then a catalogue is published describing the number, kind, quality and grade of all furs listed under the date that they will be offered for sale. Inspection of the pelts is allowed during the week preceding the opening auction date. The purpose of this is to allow each interested buyer to make a comparison and also to expedite business on the auction days.

Auction sales are held in all of the principal fur markets in the world. As a rule they are well attended because they offer the skin dealer and manufacturer an opportunity to get fresh merchandise at the most favorable price. The most important auction are held at the following places:

Marketing Raw Furs

New York	-	4 times a year.
St. Louis	-	Every week during winter season.
Paris	-	4 times a year.
London	-	3 times a year.
Leipzig	-	4 times a year.
Montreal	-	4 times a year.

These are commonly referred to by the trade as the Spring, Summer, Fall, and winter sales.

Following each sale, a detailed report is published showing a comparison of prices and percentage of increase or decrease for each kind of fur as compared with the previous sale. This report shows the number of skins offered and sold by name, with a statement concerning how each type and grade of fur was accepted by those attending the auction.

Nothing has been mentioned about paying for furs bought, for this will be fully covered under "Financing" in Chapter 11.

The marketing of raw furs embraces all modern facilities for carrying on trade. Every known means of transportation and communication is used in carrying on this work. Even the airplane is used to hasten the delivery of raw furs from the Far North to the market place.

Chapter 5

Government Regulation and Conservation Methods

"The conservation of fur bearing animals is as important as the protection of any other natural resource for the future of the fur trade depends upon an ample supply of desirable furs to meet the constantly increasing demands." ¹. Mr. Brett said that short sighted methods caused the slaughtering of the buffalo, almost obliterated the beaver, reduced the seal herd to an alarmingly low number, and practically made the chinchilla and otter almost extinct. That the present methods of regulation and conservation of fur bearing animals must be carried on, and in some cases made more drastic, is the consensus of opinion expressed by leaders in the fur trade and by Government officials.

Our rapidly diminishing supply of fur bearing animals may be attributed to one or more, or to a combination of the following causes:

1. Trapping animals for 6 to 8 months of the year.
2. Failure to observe the game laws by living up to established trapping regulations and methods.
3. Destruction of Forests.
4. Driving animals out of natural habitats.
5. Draining the marshland.
6. Filling streams with land, thereby, reducing the number of proper breeding places for mink, otter and beaver.

1. Personal Interview,
Mr. J. W. Brett, Editor
Fur Trade Review,
224 W. 30th St.,
New York City.

Government Regulation and Conservation Methods

7. Floods.
8. Forest Fires.
9. Automobilists and picnickers driving animals back,
with the exception of Skunk, Opossum, Red Fox and
Wolf which animals remain, as they are not afraid
of encroaching civilization.
10. Over a million trappers in this country in 1930.
11. Overtrapping.
12. Bounties offered for catching wolves and coyotes.
13. Encroachment of industry.
14. Lack of cooperation to maintain supply of fur bear-
ers.

Available information shows that the first conservation movement in the United States was on beaver. Protective measures in conservation must be carried out by each state, not by the Federal Government, because the wild life belongs to the state and not to the public or land owner.

"The earlier decrease in the supply of fur animals was noted in the quantity of the more valuable pelts reaching the markets, including martin, fisher, mink, and beaver, but now, under modern methods of trapping and improved means of transportation to the marts of trade the decrease is affecting such staples as muskrat and raccoon.

"The principal trends of the protective legislation that has been found necessary are toward shortening the trapping seasons, removing certain species from the trapping lists by extending or fixing closed periods for definite or indefinite terms, and increasing trapping license fees. A salutary tendency to enlarge the powers of game wardens

Government Regulation and Conservation Methods

and commissions is more and more evidenced, in, that they are permitted to make wild-life administrative programs sufficiently flexible to care for the fur resources under changing conditions. Protection in some states is just beginning to be afforded some fur animals. Species that have become scarce or have diminished in numbers need greater safeguards, and this should be extended to them either in the form of restricted trapping seasons or by closing seasons whenever necessary to allow opportunity for an increase.

"We must look for the most part to the conservation of natural resources as our guarantee of an adequate future supply. The fur trade and the various State and national agencies interested in the natural resources are working toward this end. Waste of wild life will eventually be eliminated, and for it will be substituted intelligent conservation with use.

"The enactment of suitable protective laws and their enforcement are made difficult from the fact that there is lack of authentic information on the part of farmers, trappers, and members of the fur trade, of legislative committees, and even of conservationists. This frequently results in the fixing of open seasons that are too long, and even the closed seasons that are established in some States do little to prevent the decrease of fur bearers in certain sections. A frequent defect in the present laws for fur protection is that the open season permits trapping before the pelts are prime in fall and after breeding is in

Government Regulation and Conservation Methods

progress in spring. That the present seasons are not wisely established in all cases is emphasized by the fact that far too many of the pelts coming to the raw-fur markets fall into the unprofitable class. A keener appreciation of conditions learned from studying the habits, breeding seasons, and periods of prime fur of the various species by persons concerned with the framing of laws and regulations governing trapping would have the result of greatly increasing the quantity of pelts having fur of a superior quality that reach the markets. This would add to the financial rewards of trappers for their efforts and at the same time allow increased numbers of breeders to remain in the covers." ^{1.}

In order that regulation and conservation methods be carried out, the United States Department of Agriculture publishes the Fur Laws each year for the trapping season. While perusing the pamphlet it might be interesting to note that it contains a summary of Federal, State, and Provincial Statutes. About twenty-five United States game wardens are employed by the Bureau of Biological Survey to carry out the enforcement of these laws.

Even though a great deal remains to be accomplished in preserving our fur bearing animals, some progress is evident since the movement for regulating and conserving fur bearing animals was started. Constant vigilance by research, regulation, conservation, better production and utilization of

1. "Fur Resources of the United States." pp. 7-8 & 9.

Government Regulation and Conservation Methods

our great natural resource has brought about the following satisfactory results:

"Beaver has come back;

Alaska Seal has come back;

Silver Fox are more plentiful than ever;

Buffalo have multiplied from a few hundred in one Canadian park to 5000 in ten years, and if half a dozen sea otters could be captured unharmed alive, there is not the slightest doubt they could be brought back to a plentiful supply. .

Persian, Astrackhan and Krimmer lambs are being bred in America and just beginning to come on the market as fur.

Skunk has been trapped in America for 200 years and is more plentiful on the fur market than ever before.

Rabbits are such a pest in Australia, poison and trap have failed to exterminate them; and in certain sections they have ruined the pasture.

Muskrats are coming to the market in millions; and so prolific are they in their habits, there is not a hint of the supply falling off." ^{1.}

To carry on this work the United States Department of Agriculture, Washington, D. C., is setting open and closed seasons for trapping. It prohibits unsound methods of trapping; it issues licenses, and sets up rules and regulations for the

1. "The Fur Trade of America." p. 7. Agnes C. Laut.

Government Regulations and Conservation Methods

possession and sale, shipment and export of fur bearing animals.

One of the most outstanding achievements under direct Government control is the progress that has been made since 1910, in stopping the indiscriminate practice of pelagic sealing on the Pribilof Islands. When the Government undertook the conservation of Alaska seal, the herd had been reduced to about 130,000 animals from an estimated total of 4,000,000 animals in 1786, when Gerassim Pribilof, a Russian navigator, discovered the Pribilof Islands.

"The growth of the fur-seal herd in the 18 years from 1912 to 1929, inclusive, since the Government has actually engaged in sealing operations, has been very satisfactory. In the following table is shown the number of skins taken on the Pribilofs and the number of seals in the herd during this 18-year period:" 1.

"Increase in the Alaska Fur-Seal Herd, 1912-1929." 1.

Year	Skins taken on the Pribilofs.	Number of seals in herd	Year	Skins taken on the Pribilofs.	Number of seals in herd.
1912	3 191	215 738	1921	23 681	581 443
1913	2 406	268 305	1922	31 156	604 962
1914	2 735	294 687	1923	15 920	653 008
1915	3 947	363 872	1924	17 219	697 158
1916	6 468	417 281	1925	19 860	723 050
1917	8 170	468 692	1926	22 131	761 281
1918	34 890	496 432	1927	24 942	808 870
1919	27 821	524 235	1928	31 099	871 513
1920	26 648	552 718	1929	40 068	971 527

At last the million mark has been passed. The final figures of the annual Government census show that for 1930, the seal herd has reached the total of 1,045,101. It is

1. "Fur Resources of the United States." p.37.

Government Regulation and Conservation Methods

now desired to maintain, if possible, this approximate annual increase of 8 per cent.

"It is of interest to note that in the 63 years since Alaska was acquired from Russia the Territory has produced fur-seal skins to the value of about \$63,000,000, or approximately nine times its purchase price. Each year the take of seal skins is increasing and the herd is growing steadily. The outlook is extremely promising under the present policy of conservation and wise administration under the general direction of the Secretary of Commerce. There appears to be no reason why the fur seal-herd of the Pribilof Islands should not be entirely restored to its abundance of former days. Splendid strides toward that end have already been made. The conservation of this great natural resource through international agreement offers a most striking example of the importance of international cooperation in wild life preservation." ^{1.}

Conservation of fur bearing animals, one of our great natural resources, is receiving more and more attention each year. Notable progress has been achieved on a limited scale in practically every direction. A great deal remains to be accomplished. The most outstanding results have been shown in Alaska, our greatest natural fur resource, in bringing back the Alaska Seal from 13,000 animals in 1910, to over a million in 1930. As the Pribilof Islands contain over 80 per cent of the fur seal of the world, the value of Government regulation and conservation methods in this connection can be fully appreciated.

1. "Fur Resources of the United States." p 40.

Chapter 6

Fur Farming

"When the dressing of furs became an established industry in the United States, it was discovered that many of the more valuable fur animals had almost disappeared from our forests and streams, and that the northern Canadian Provinces were then the most important source of fine furs. It is true that skunk, muskrat, opossum, and raccoon are left in considerable numbers in this country, particularly in the Mississippi Valley States, but the remnants of our once rich fur resources are fast dwindling under the conditions that have prevailed during the past century.

"With an increasing demand and an ever-decreasing supply of desirable pelts, a condition is being produced that is alarming and would be more so were it not for the demonstrated possibilities of producing fur animals in captivity. Fur farming is already on a substantial basis. It is destined, because of rapidly changing conditions, to have even a wider scope and to attract increased interest. Its future is assured, in that it affords the surest means of supplementing the diminishing production of furs in the wild.

"During the past decade fur farming has shed its swaddling clothes and has grown to the point of representing an investment of more than \$50,000,000 in the United States alone. Already a husky juvenile giant, the industry promises to continue steadily in development. Furthermore, the old 'tricks of the trade' for handling this new type of animal production have

Fur Farming

given way to standardized procedure. This means also that methods are not recommended or followed that are not the results of careful experimentation.

"The early trappers and their Indian allies were the ones who took the first elemental steps in the fur-farming business. They continued to hunt and follow the trap line during the summer season, capturing fur animals alive and penning them until the pelts became prime with the approach of cold weather. Propagating fur animals entirely under the control of man is a direct outgrowth of this early Indian and pioneer trapping practice. The wonder is that back in the old days of the Hudson's Bay Co., when wild caught silver-fox pelts brought \$1,000 each, trappers did not turn farmers and produce these animals, at least to supplement their annual fur catch. But it sometimes requires a long time for the human race to discern the obvious, and the wild at that time seemed to be very well stocked.

"The next step toward the development of fur farming was the digging of young fox pups out of their dens and raising them to maturity. The scarcity of black and silver fox pelts and the enormous prices paid for them led to the appreciation of existing opportunities for making such a practice profitable. Later a number of trappers and traders started breeding foxes in captivity to obtain silver strains. The discovery that the silver color in foxes is a Mendelian recessive to red, and that therefore a silver fox being of recessive color always breeds true, marked another important forward step. At first the operations of those who understand this principle of breeding were

Fur Farming

cloaked with secrecy. In the course of a few years, however, stories concerning the wealth to be obtained from the silver-fox business leaked out, and the fox-farming boom was on." 1.

The Division of Fur Resources, Bureau of Biological Survey of the United States Department of Agriculture, estimates that there are about 5,000 fur farms in the United States and Canada at the present time. This bureau operates a non-commercial Fur-Animal Experiment Station in the Adirondack Area, New York, primarily to determine the most scientific way of raising fur bearing animals in captivity. Preliminary work of this nature was carried on at Government operated fur stations at Prichard, Idaho, and at Keeseville, New York, before the one now maintained at Saratoga Springs was established seven years ago. Since 1927 the United States Department of Agriculture through the cooperation of local rabbit breeders in California and the National Rabbit Federation has financed and operated the U. S. Rabbit Experiment Station at Fontana, California, for the purpose of learning more about the value of rabbits for food and fur. Experiments are being conducted in blue and white-fox farming on a limited scale by the Government on St. Paul and St. George Islands, Alaska. An outstanding piece of work in the prevention and control of disease is being carried on in collaboration with the Universities of Minnesota and Southern California. These various agencies have devoted their attention to the following problems:

1. "Fur Resources of the United States." pp 9 & 10.

Fur Farming

1. The Fur Farm site.
2. Handling animals on fur farms.
 - a. Foods and Feeding.
 - b. Breeding.
 - c. Behavior of animals.
 - d. Prevention and control of disease.
 - e. Sanitation.
 - f. Killing the animals.
 - g. Removing the pelt.
3. Management and Methods.
 - a. Comparative costs of fur farming.
 - b. Reasons for success of fur farms.
 - c. Causes for failure of fur farms.
 - d. Sources of supply to meet all requirements.
 - e. Outlets for marketing and distribution.
 - f. Schedule of selling prices over a period of years.

Government conservation and regulation methods, even if strictly enforced, can not be relied upon to check the rapid depletion of our fur bearing animals sufficiently to insure an adequate supply to meet the ever growing demand for furs.

We are now dependent upon scientific fur farming or ranching to help supply our annual requirements. Over 95 per cent of the silver fox skins sold each year are pen-raised. A large supply of other popular furs must be raised on the fur farms. Fur farms are established in practically every state in this country, and also throughout Canada. A list of fur bearing animals raised on farms includes the following:

Fur Farming

- | | |
|---|---|
| <ol style="list-style-type: none"> 1. Fox <ol style="list-style-type: none"> a. Red. b. White. c. Black. d. Cross. e. Blue. f. Silver. 2. Muskrat. 3. Mink. 4. Raccoon. 5. Beaver. 6. Marten. 7. Skunk. 8. Badger. | <ol style="list-style-type: none"> 9. Rabbit. 10. Squirrel. 11. Opossum. 12. Otter. 13. Broadtail. 14. Persian. 15. Lamb. 16. Astrakhan. 17. Krimmer. 18. Coyote. 19. Fisher. 20. Weasel. 21. Bear. 22. Wolf. |
|---|---|

Fur farming, the most difficult branch of animal husbandry, has been carried on during the last fifty years. Naturalists have gathered and compiled a vast amount of valuable information during this period. Unfortunately, they have allowed most of this accumulated material to remain as pure science. Obviously, it is necessary to present this information for practical purposes so that it will be suitable as an applied science. As soon as this task is gradually accomplished, the information will be of material help for better legislation, more intelligent control of fur resources, and for the solution of internal and external problems confronting those engaged in fur farming. It is desirable that the methods of production, marketing and distribution be given a greater amount of attention in order that the fur farmer may avoid the pitfalls of his predecessors.

A distinction must be made between fur farming for breeding purposes and fur farming for pelts. In the former case, the animals are sold to others for breeding purposes; and in the latter, the pelts are sold to dealers and manufacturers

Fur Farming

who dispose of them to the ultimate consumer. Large profits have been realized by those engaged in raising animals for breeding purposes. In the long run, the success of fur farming will be determined by the profit derived or loss suffered in selling pelts to dealers and manufacturers. In many instances, this remains to be determined.

"The Bureau of Biological Survey desires exceedingly to meet its obligations to the fur farmers of this country. Every effort is made to acquaint breeders with discoveries made at the station regarding improved management practices in breeding, feeding, and handling fur bearers in captivity. Field work of representatives of the station and of the Washington and cooperating offices in inspecting fur farms is resulting in the accumulation of much valuable information on the various problems confronting fur farmers and in many notable improvements in fur-farming practices. This information is available to all concerned, and fur farmers are invited to utilize the facilities provided by the Biological Survey through its Fur-Animal Experiment Station to the greatest possible extent. The Station is maintained to benefit fur farmers individually and collectively, so that a stable industry may be established in fur production, one efficiently managed and intelligently directed, with future progress constantly in view."

1.

1. "Fur Resources of the United States." p. 28

Chapter 7

Dressing and Dyeing

"Although fur dressing and dyeing was a fairly well-established industry in the United States in 1914, the total annual output of the plants in that year was valued at only \$2,875,000. The rapid development of the industry in this country, due in part to the interrupted trade with the continental dressing and dyeing centers, caused the value of products to jump to \$20,384,569 in 1919. This volume has not only been maintained with the return of foreign competition to the field, but it has increased to \$27,357,261 according to the census for 1927, the latest available.

"The industry is to a large extent centered in and around New York. Of the 168 establishments reporting to the Bureau of the Census, 111 were in New York and 25 in New Jersey.

"The Fur Dressers and Dyers Association (Inc.) compile annual figures on the number of skins processed by the members of that association, and these compilations are excellent indices of the numbers of the skins of each kind consumed by American fur manufacturers. The membership of the association is estimated to represent approximately 90 per cent of the industry. The figures for the last two years follow:" 1.

1. "Fur Resources of the United States." pp 46 and 47.

CHAPTER I
GENERAL PRINCIPLES

The purpose of this chapter is to discuss the general principles of the theory of the firm. It is divided into two main parts. The first part discusses the general principles of the theory of the firm, and the second part discusses the specific principles of the theory of the firm.

The general principles of the theory of the firm are based on the assumption that the firm is a profit-maximizing entity. This means that the firm's primary objective is to maximize its profits. The firm's profits are determined by its revenue and its costs. Revenue is the total amount of money that the firm receives from its sales, and costs are the total amount of money that the firm spends on its inputs. The firm's profit is the difference between its revenue and its costs.

The specific principles of the theory of the firm are based on the assumption that the firm's production function is concave. This means that the firm's marginal product of its inputs is decreasing. The firm's production function is a function that relates the firm's inputs to its output. The firm's marginal product of its inputs is the derivative of its production function with respect to its inputs.

The firm's production function is concave because of the law of diminishing returns. This law states that as the firm's inputs increase, its output will increase at a decreasing rate. This is because the firm's inputs are not perfectly substitutable. For example, if a firm has a fixed amount of capital, then increasing its labor input will eventually lead to a decrease in its output per unit of labor.

The firm's production function is also concave because of the firm's technology. The firm's technology is the set of all possible production techniques that the firm can use. The firm's technology is concave because the firm's inputs are not perfectly substitutable. For example, if a firm has a fixed amount of capital, then increasing its labor input will eventually lead to a decrease in its output per unit of labor.

The firm's production function is also concave because of the firm's market structure. The firm's market structure is the set of all possible market conditions that the firm can face. The firm's market structure is concave because the firm's inputs are not perfectly substitutable. For example, if a firm has a fixed amount of capital, then increasing its labor input will eventually lead to a decrease in its output per unit of labor.

Dressing and Dyeing

"Number of Skins Processed by Members of the Fur Dressers and Dyers Association (Inc.), 1928 and 1929." ^{1.}

	1928	1929
Karakul, kid, and lamb skins	4 546 529	7 583 445
Ermine	973 377	938 441
Fitch (German and Russian)	962 409	589 439
Fox (all classes)	1 362 546	700 791
Marmot	967 796	678 132
Mink (Jap Mink not included)	304 137	315 803
Mole	5 770 223	1 902 929
Muskrat	4 692 751	4 888 036
Opossum (Australian included)	818 386	298 220
Skunk	819 406	656 159
Squirrel	5 264 484	3 604 723
Weasel (Japanese and Chinese)	1 730 269	1 140 647
All other skins	3 927 843	3 658 376
Total	32 140 156	26 955 141

1. "Fur Resources of the United States" pp 46 and 47.

Dressing and Dyeing

Before fur pelts can be used for manufacturing purposes, they must be dressed. All pelts are dressed for this reason, and in addition a great many must be dyed, not only to make them suitable for the market, but also to enhance their value. There is no general process or formula for dressing and dyeing all pelts, therefore, each variety must be treated in accordance with the best known confidential scientific methods. As Hudson Seal (dressed and dyed muskrat) is a trade name most familiar to the general public, and as these pelts are dressed and dyed on the largest scale, it may be most interesting and profitable to explain how Hudson Seal is produced.

Each shipper sends a selected lot of raw muskrat pelts for this purpose. Within a few days the raw muskrat pelts are received by the dressing and dyeing concern to which the shipment was sent. The pelts are counted by young men learning the business, and the total number is reported to the head of the receiving department. He assigns an individual identification number to each lot of raw pelts received, and tells his men to perforate the given lot number on each pelt in order that one shipment may be readily distinguished from another.

Then the skins are ready to be half dressed. Dressing is a technical term that refers to the treatment preparatory to the dyeing process, but it is widely known as, and incorrectly identified with tanning. To a great extent^x the value of Hudson Seal, when completed, depends on the method in which the skin is treated while in process; therefore, the crude

Dressing and Dyeing

method of tanning or dressing used by the Indians has been replaced by the most scientific and up-to-date methods known. ¹

Due to the responsibility that exists in the art, craftsmanship, and chemical formulae employed; close watching and supervision is necessary to assure that the pelt is pliable and that no injury is done to the fur during the half dressing operation.

The next step is to wet each pelt with salt water and put it up overnight. This process is called wetting down the skins. It is a preparatory treatment which prevents the leather from cracking when the skins are placed in the kicking machine.

On the following morning the skins are ready to be placed in the kicking machine. This machine treads the skins in a manner similar to that which the Indians did with their feet. Undoubtedly, this technical term was derived from the process followed by the Indians and should not be mistaken as a rough treatment through which the skins must pass. It is in the kicking machine that the required chemical compounds and ingredients are driven into the pores of the pelts. The machine is run for three or four hours, then the skins are removed, are wet with salt water, are put up for three or four hours and are ready to go through the kicking process again. Skins must go through the kicking machine from three to six times, all depending on the condition of the

1. Personal Interview and visit to both plants in Newark, N.J.
Mr. Samuel M. Radler, Plant Superintendent
A. Hollander & Sons, Inc.,
Newark, N. J.

Dressing and Dyeing

pelt; therefore, it takes approximately eight days to complete this operation. After the final kicking process, the skin is slashed through the center of the abdomen lengthwise. Thus the pelt is practically in a square form, leaving intact the back of the pelt, which is the best and most valuable part of the fur side of the skin.

After the skins are slashed, they are put in a large drum which revolves at an established rate of speed. They are drummed in sawdust in order to give each skin a thorough cleansing. "At this stage the skin is completely dressed with the exception that it is not fleshed."¹ The purpose in not fleshing the skin at this time is a protective one; namely, the remaining layer of flesh acts as an absorbent for all the impurities and superfluities which are likely to attach themselves during the dyeing process. Before the actual dyeing operation for which the skin is ready, it must be given the customary preparatory treatment.

Girls are employed in performing the precautionary operations of mending all natural rips, and cutting off the paws and frayed edges, which does away with the danger of tearing during subsequent operations.

Skilled examiners look over each skin in order to select those which are suitable for Hudson Seal. Although the rejected skins remain undyed, the dressing is completed for they can be used in the natural state in making or repairing muskrat coats.

1. Mr. Samuel M. Raddler.

Dressing and Dyeing

All the skins that are found suitable for Hudson Seal must be plucked "in the white", that is, before any dye is applied. Plucking is performed by a man who places one skin at a time before an upright machine possessing a whirring wheel equipped with a circular blade. Here the obstinate guard hairs are removed from the sides of the skin, thereby, adding to the appearance of the fur.

Then the skins are passed to girls who prepare them for the shearing operation by sewing the skins end on end so that they may be fed into the shearing machine. Each machine is equipped with large linear blades. The blades must be adjusted to conform with the type of muskrat skins being sheared during each operation; long haired, medium haired, or short haired. As the skins pass through the machine, the long and uneven hairs on the back of the muskrat are sheared or cut so that all of the fur will be of equal length. Care must be taken during this delicate operation so as to make the hairs absolutely even and still leave enough hair to give the fur the most desirable softness and depth. The skins are ready for the first application of dye as soon as the shearing process has been successfully completed.

To perform the first dyeing operation, the skins are put into a huge dyeing vat where they are immersed in a chemical solution to give them what is known as the ground dye, which acts on the lower part of the hair. The skins are given a thorough mixing up in this vat. The first application of dye is lighter in color than the following applications. It is a

Dressing and Dyeing

cocoa brown color in order to provide a proper base for the applications of dye which are to follow. This is done in order to provide the necessary variance between the first dye and the latter ones to give the desired lustrous effect which is in demand.

When the initial dye is about half dry the skins are placed into a horizontal "centrifuge" that resembles a huge drum. This centrifugal dyeing vat revolves at a tremendous speed, thereby, throwing off the unnecessary liquid through small openings provided for this purpose in the sides of the vat. In due time, the machine is stopped, leaving the skins practically dry, thoroughly pliable, and ready for the following applications of dye.

In the next operation the skins are evenly dried. A heated drying room is provided for this purpose. It is equipped with fans to keep the air circulated so that all the hot air will be evenly distributed throughout the room. Obviously, this prevents the hot air from rising to the top and drying only the top skins.

In due course of time, the skins are taken from the drying room and placed in a drum to be cleansed, in the finest sawdust, from all impurities which have adhered to the fur. This procedure is followed at the end of all subsequent operations, so that it will be necessary to remove only a small amount of foreign matter in the last drumming operation.

A series of seven applications of black dye are then applied to the initial ground dye, both by hand and mechanical devices, to build up the solid, velvety, and lustrous black

Dressing and Dyeing

that has brought about an ever increasing demand for Hudson Seal. Diligent care is maintained throughout all operations to preserve the elasticity and durability of the leather until the final application of dye.

After the last application of dye, the skins are fleshed to remove all particles of matter and grease that stick to the pelt. This extra layer of flesh which has been left on the skins as a protective measure during the dyeing process, is removed by a revolving knife. This fleshing of the skins is done by highly skilled mechanics. The skins are dried and drummed once more.

Then they are plucked or unhaired "in the black". That is, after they are completely dyed and finally drummed, all remaining wild stiff hairs which were not removed when sheared "in the white", are removed by a small revolving linear blade; thus leaving the pelt with an even, lustrous black surface.

The skins are also sheared "in the black". This process is the same as shearing in the "white", but is repeated to remove all uneven hairs that remain after the third shearing "in the white". If necessary, the skins are sheared as many as three times "in the black", but as a rule only one or two shearings "in the black" are necessary.

All skins are then examined to see that they are soft and pliable. If any are found to be stiff, they are stretched by hand in a careful manner. Then all remaining particles of dust are removed by a vacuum. As soon as this is done the

Dressing and Dyeing

skins are finally ready to be packed and returned to the merchant that sent them.

As a rule, each dresser and dyer has his trade mark applied to the leather side of each Hudson Seal skin (dressed and dyed muskrat).

In concluding this description it may be well to point out that Hudson Seal is the trade name for muskrat skins that have been sheared and dyed black. Approximately twenty-three days elapse from the time the raw muskrat^K pelts reach the fur dressers' and dyers' plant until they are ready to be returned to the owner. During this time the skins pass through seventy-three operations which consist of about eighteen separate and distinct processes. Naturally, this requires constant care, close supervision, expert handiwork, proper chemicals, and exact mechanical adjustments. Formerly, this task was performed as a "hit or miss" proposition. Now the work is performed in the best scientific manner.

One phase of the dressing and dyeing industry, producing Hudson Seal skins has been covered. But in concluding this chapter, it is felt that something should be said concerning the general progress of the industry as a whole. To do this, it is necessary to quote a recent authoritative article submitted by the Dressers and Dyers for the benefit of the fur business.

"Dressers and Dyers Show New Colors and Improved Quality of Work."^{1.}

1. "Fur Trade Review Weekly," Vol. 3, No. 44, July 31, 1930. p.5.

Dressing and Dyeing

"The fur dressing and dyeing industry has been hard at work during the past six months developing new colors and better dressing of skins. That this branch of the trade must always be hard at work trying to improve its product and find better methods of carrying out this necessary service, does not detract from the fact that it has accomplished much this year.

"Close attention has been given to the dressing of pelts. The dressers have been aware of the fact that there was room for improvement in this direction. The dressing of muskrat, for instance, has been improved to a marked extent and the work on the lamb skin group has received constant attention with satisfactory results. The dressers have tried hard to turn out work that will result in fewer causes of complaint among dealers and manufacturers. The work on the heavy skins has been noticeable for greater flexibility of leather and the dressing is of a more permanent nature. Time has been taken to get the best results and there has been less of a 'hurry up' attitude on the part of the owners of the skins.

"Remarkable success has been obtained on the dressing-and the dyeing-of the heavy non-caracul lamb skins and the work turned out by many firms is free from that 'heaviness' and 'hardness' so noticeable a season or more ago. The dressing on squirrel is excellent.

"The dyers have kept a few steps ahead of fashion. The black dyes turned out by American firms show improvement- indeed in many instances it is supreme. Our Hudson Seal dye on muskrat is still unsurpassed and is again winning favor with

Dressing and Dyeing

the public. Our fancy dyes on lamb, kid, caracul, rabbit, squirrel, fox, weasel, ermine, etc., are all that Fashion requires. Many of the fancy shades developed by leading dyers are new and original, particularly on squirrel and weasel.

"Fashion now runs to black and brown and the fur dyers have provided the garment and fur industry with excellent deep, lustrous blacks varying in tone from the brown tinged Sitka black to the blue black of the natural black fox. Black on seal, muskrat, fox, wolf, caracul, broadtail, sheared lamb, kid, mole, coney, hare, skunk, opossum are in demand and have helped to maintain the volume of work passing through the dyeing plants.

"The fancy colors run to the pastel browns, creams, greys, tans and are extensively used on coney, fox, ermine, hare, caracul, broadtail, lambs, kids. The darker sable brown on squirrel, kolinsky, fitch is excellent. A new shade on squirrel, blue fox, has made a great hit and the same fur is also being dyed very much the same shade as the Viatka of some few years ago.

"Blending is better than ever and now that such furs as mink, sable, baum marten, and fisher present excellent values, the skill of the blenders is in demand to improve and restore the many excellent skins that are a bit off color. Raccoon is another pelt that is coming in for blending and here the services of the experts are in demand."

Chapter 8

Materials and Supplies (used in the Manufacture of Fur Garments)

1.

The major equipment required for a well organized manufacturing concern will be briefly discussed in the following chapter. Because the necessary materials and supplies must be ordered, and in most cases, must be in stock from three to six months in advance for the approaching season; a discussion of this chapter is appropriate at this time.

A large house dealing in furriers materials and supplies will carry practically all of the required sundries in stock. The sundries will be discussed in the order in which they are used to turn out a well made garment.

NEEDLES

Two types of needles are used in the fur industry, namely; those used in sewing by hand, and those used on the up-to-date electric sewing machine. A general type of needle is used for sewing by hand, such as is used in the home. For quality and quantity production, a special type of needle is used in order to meet the demands of the day. The Gross, Engel Leo Lammertz, sizes 12 to 21 inclusive, is used most extensively on the electric sewing machines.

THREAD

To assure a well made garment, the proper thread must be selected. Cotton thread is used on the sewing machine. Formerly a two-ply thread was used, but a three-ply thread is now

1. Personal Interview.

Mr. H. D. Pollack, Proprietor
The Furriers Supply Company,
330 Seventy Ave.,
New York City.

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used in order to give the garment better support. Black, brown, steel gray, and tan cotton thread is used on the sewing machine. Both cotton and silk, but particularly the latter are used for sewing by hand. For this purpose the regular black, brown, steel gray, and tan cotton thread is used; but the silk thread used must match the color of the lining, therefore silk thread comes in a great variety of shades.

TAPE

Fine quality linen tape one-half inch wide is used. Black tape is used on dark colored garments and white tape is used on light colored garments. Taping a garment is necessary so that there will be enough firmness to hold it together, especially in the sleeves, collar, and down the center of the back where the greatest strain occurs.

STAY

Black percaline is used for staying most coats. White percaline is used for staying unlined coats. Brown percaline is used for staying expensive brown caracul coats. The importance of this material is that it is light in weight and fine in construction, thereby, leaving the coat in a soft and pliable condition. Its purpose is to hold the skins together properly without adding additional weight to the garment.

FLANNEL

It is necessary to use a fine flannel underneath the lining so that the lining will be in conformity with the shape

Materials and Supplies (used in the Manufacture of Fur Garments)

and style of the garment. This helps to keep the lining in place and prevents it from wrinkling and sagging.

BUTTONS

Manufacturers have become convinced that it pays to finish a garment with the finest quality buttons, looping, olives, and linings. The buttons used today are made of gallith, a strong, lustrous, and very durable material on the same order as bone buttons. They were made in place of the cheap celluloid buttons which were both hollow and inflammable, in use years ago.

LOOPING

Looping is a very important item, for it is subject to a great deal of wear. Therefore, it must be constructed in such a way as to meet this constant use. Elastic looping is still used extensively even though the elasticity gives way in a short time. It does not contract to its original shape, it begins to tear and look stringy, thereby spoiling the appearance of the coat in a short time. However, cotton and silk, rayon, and all silk looping is rapidly replacing the unsatisfactory elastic looping. All silk looping is considered to be the best because of its strength, appearance, and durability.

OLIVES

"In our trade the majority are using the little crochet buttons under the collar, and in many instances are using a gallith 45 ligne olive to match the popular 70 ligne buttons used on coats."
1.

1. Mr. H. D. Pollack.

Materials and Supplies (used in the Manufacture of Fur Garments)

LINING

Many manufacturers use a medium priced satin and crepe lining, with the satin and crepe reversed in the finishing of their garments for stock and to order. Flashy linings are not in such demand as they were a few years ago. At the present time there is a noticeable general trend to the more conservative colors, namely; brown, black, steel gray and green, used either plain, or in a harmonious color combination. Cashmere cloth, made of wool, with satin yokes, armshields and windshields, is used for lining sport coats.

WADDING

Wool wadding is used in finishing fur scarfs. Original wool wadding is made of all wool, chemically treated in order to protect the scarf from becoming moth eaten. In addition to this the wool wadding keeps the scarf in shape.

MUFF BEDS

Muff Beds are used in finishing muffs. They are made of feather proof material and are filled with live feathers in order to give the muff its proper shape. This is to make the muff light in weight, and warm for comfort.

SCARF SUPPLIES

In addition to the wadding used for finishing fur scarfs, there are a few other minor but necessary supplies that are used. These may be mentioned without giving an explanation of their use or their description. Manufacturers use the following supplies on fur scarfs: ball snaps, chains, springs, cork heads, rubber heads, and eyes.

Chapter 9

How Fur Garments are Manufactured

"The fur manufacturing industry also is centered largely in New York. Of the 2,756 establishments reporting to the Bureau of the Census in 1927, 2,029 were in New York, 228 in Illinois, 106 in Pennsylvania, 61 in California, 43 in Minnesota, 37 in Ohio, 37 in Wisconsin, 36 in Massachusetts, 24 in Washington, 23 in Michigan, 21 in Maryland, 20 in Iowa, 19 in Missouri, 16 in New Jersey, 10 in the District of Columbia, 8 in Indiana, 7 in Maine, 6 in Oregon, 5 in Connecticut, 3 in Colorado, 3 in Montana, 3 in Nebraska, and the remaining 11 in 10 other states.

"The total value of products in 1927 is given as \$299,615,047, the largest figure on record. This was a gain of 17.8 per cent over the previous figures for 1925. The Bureau of the Census furnished totals in 1927 to show the proportionate value of the different products of the industry. The figures follow:^{1.}

Fur Products of The United States, By Kind, Quantity, and
Value, 1927

Fur and fur-lined overcoats:		Fur robes:	
Men's-		Number	5 461
Number	47 424	Value	\$790 493
Value	\$3 869 238	Fur trimmings,	
Women's-		Value	\$87 817,050
Number	1 658 043	Other fur and fur-	
Value	\$156 851 144	lined goods, value	\$5 918 479
Fur neck pieces:		Sheep-lined garments:	
Number	332 441	Number	916 306
Value	\$14 112 848	Value	\$5 380 191
Fur hats and caps:		Other products, val.	\$2 503 031
Number	39 730	Custom work and	
Value	\$265 228	repairing, value	\$20 037 409
		Receipts for	
		contract work	\$2 069 936
		Total Value	\$299 615 047

1. "Fur Resources of the United States" pp 47 & 48.

How Fur Garments Are Manufactured

"The fur trade feels that it renders an important social service in adding to the beauty and comfort of life by transforming a by-product of agriculture, the skins of both wild and domestic animals, into fur garments. The control of some of the smaller fur bearers is essential to the farmer because their very fecundity enables them not only to survive as species under the most persistent trapping, but without such control they would increase to inordinate numbers. Indeed, if furs as wearing apparel were unpopular and their use were to decline materially, much of the good work of the Audubon societies and similar organizations interested in the protection of bird life would be undone in a very few years, and the loss the farmers would suffer could only be estimates." ^{1.}

Fur garments are manufactured for stock and to order. As a rule the proprietor purchases practically all of the necessary raw material in advance for the coming season; this gives him an opportunity to obtain better merchandise at a lower price. The head of the house must also keep in close touch with the leading style centers of the world so that the garments he manufactures for the approaching season will be readily accepted by his customers as being up-to-date.

DESIGNER

A manufacturer doing business on a large scale must have a designer. A first class designer creates styles, makes paper and canvas patterns, and checks up to see that the garment is made in accordance with the style and size of the pattern. In addition to this, the designer must carefully plan the shape of the garment and the arrangement of skins in relation to one another ^{1.} "Fur Resources of the United States." pp 47 and 48.

How Fur Garments Are Manufactured

so that the finished garment will bring out the beauty of the fur.

First of all, he makes a paper pattern that conforms to the style and size specifications he obtained while taking the customer's or model's measure. As soon as the paper pattern is satisfactorily completed, a canvas pattern is made and tried on a living model. All necessary alterations are made on the canvas, then the same changes are made on the paper pattern before the work is brought to the factory.

FACTORY FOREMAN

He receives the paper pattern and all necessary raw material, together with special instructions concerning the job. He enters all the necessary information on a production card, particularly noting the date on which the garment must be tried-on and the date on which it must be finished. It is his responsibility to maintain a uniform production schedule so that the quantity and quality of the work turned out will meet the standards set by the house. In assigning work to the factory employees, the foreman first approaches the cutter. He gives the cutter the paper pattern, a lot of matched skins, and all the necessary instruction for that particular job. At the end of the day he collects all of the workers' time slips, and makes out material transfer slips for all materials put in production, sending both to the accounting office.

CUTTER

The cutter is a skilled artisan. It takes natural ability plus several years of apprenticeship before a man can become competent to do this work. To be successful in this work,

How Fur Garments are Manufactured

the cutter must have an exceptionally good eye for color and a thorough knowledge of the material itself.

From the matched lot of skins, the cutter selects the ones most nearly alike in size, color, and texture suitable for the garment, laying aside any extra skins for later use if necessary. As soon as he has the garment tentatively laid-out, the actual cutting process begins.

In doing this work he repairs all damages to the skin, he cuts away the short-haired parts; putting each skin in first class condition and shaping the skin somewhat at the same time so that it will conform to the paper pattern.

OPERATOR

Both men and women are employed in doing this work. They must have practically as much skill and dexterity as the cutter. As a rule the operator is sewing his work together as soon as it is handed to him by the cutter. This work is performed by placing the two parts, fur-side together, with both edges exactly even, over-stitching, and then flattening out the seam. To a certain extent sewing by hand is done on the more expensive and delicate coats, but the overstretch machine is used in most cases, because an experienced operator can do as good, if not better, and far more rapid work.

NAILER

The work of the nailer is important and should be given more consideration than it generally receives in the trade. His equipment consists of a board placed on a pair of "horses",

How Fur Garments Are Manufactured

a pair of pliers, a cutting knife, a needle and thread, and a piece of white chalk.

In accordance with the production schedule, he receives the work in process from the operator and the pattern from the cutter. He dampens the leather thoroughly, but evenly, so that the skin will be workable. While the water is being absorbed by the leather, he draws a chalk outline of the pattern on a clean board.

After this preliminary work he is ready for the actual work of nailing. Care must be observed for many complications are likely to arise. As soon as the leather is in a workable state, he places the piece to be nailed on the board in conformity to the chalk outline, fur-side down. By using nails or pins he nails the piece to the board, stretching it, where necessary, to conform to the pattern.

As soon as each individual piece has been nailed, the board is placed against the wall, overnight, to allow the leather to dry by evaporation under a normal temperature. Artificial means to speed up the drying are very likely to burn the leather, therefore it is more desirable to allow it to dry slowly, evenly and thoroughly.

Under normal weather conditions the leather will be dry the following morning. The nailer will put the board in its place on the "horses," mark the outline of the pattern on the leather, pull out the nails, and "square each part", that is, he will even up the edges by cutting off all extra material.

How Fur Garments Are Manufactured

If the leather is hard the various parts of the garment are drummed before they are squared. The drumming process restores the leather to its natural softness. He then glazes the fur with a damp brush, combing it out thoroughly, and then hangs it up to dry.

FINISHER

The finisher receives all parts of the coat as soon as the fur has dried after the glazing operation. He tapes the edges to reinforce all parts of the garment that are to be sewn together. Staying is sewn on top of the leather as a protection against strain due to ordinary wear. Then the garment is given to the operator for joining all of the various parts of the coat; namely the body, the sleeves, the cuffs, and the collar. Then the coat is given to the finisher who sews on the interlining, buttons, olives and loops.

LINER

Before the garment is lined, it is tried on a living model in the presence of the designer who checks up on all the necessary details to see if the fitting and workmanship meet the standard requirements. If anything wrong is detected in the garment, it is corrected at this time. The lining is cut according to the pattern and it is sewn in by hand, special attention being given to the fit of the lining; because if it should be drawn in too tight or short, it can throw the entire fit of the coat out of shape.

How Fur Garments Are Manufactured

FINAL INSPECTION

The factory foreman inspects the garment to see that all of the work is completed. He then sends it to the glazing department where the fur is carefully glazed. On the following day the examiner checks up on the workmanship and as soon as the work meets with his approval, the garment is ready to be placed in stock or to be delivered to the customer for whom it was made to order.

1. Personal Interview.
Mr. Fred G. Kakas, President
Edward F. Kakas & Sons, Inc.,
93-95 Newbury St.,
Boston, Mass.

Chapter 10

Cold Storage for Pelts and Garments

Furs should be protected during the warm Summer months by placing them in the hands of a reputable furrier for repairs and storage. Cold storage for furs is recognized as a practical system of refrigeration that keeps the temperature in the vault slightly below freezing. Hunters, furriers, merchants, and the wearers of furs, all agree that the most satisfactory way of storing furs is to place them in a refrigerated space, where their natural lustre is preserved, and the dangers of fire, theft, moths, heat, and moisture are avoided.

The cold storage plant is operated throughout the year. Pelts are stored all year round because it is necessary to have enough raw material on hand to meet the demands of the trade. Pelts purchased during the raw fur season, that extends from November to January, must be kept in storage until it is time to send them to the auction sales, generally held in February. Although it is not necessary to place dressed fur skins in storage, it is best to do so, particularly with respect to the more perishable furs that will not be put in process for some time.

It is the weather that controls the cold storage season for garments. As a rule, the largest number of garments are in storage between May and October. Under normal weather conditions the furrier will begin to receive garments to be stored about the middle of April. From then on, there will be an increasing momentum of business activity until the end of May. Still there are many customers that store their furs

Cold Storage for Pelts and Garments

in June, July and August.

As soon as the garment is received it is given a storage number so that it may be identified easily. Then it is sent to a room equipped with compressed air blowers where expert operators remove all dirt and moth larvae. When the garment has been blown out by the compressed air blower, it is carefully inspected to see whether or not it was received in good condition and if any further work is necessary. If no further work is necessary the garment is sent to the cold storage vault. All defects are noted on the combined storage and insurance policy mailed to the customer, with enclosed bill. All customers are notified, by letter, concerning the necessary repairs that were noted when the garment was inspected. The repairs are started as soon as the customer notifies the furrier that the work should be done. When the work is completed the garments are sent to the cold storage vault. They are hung on racks three to four inches apart, in a cold room, where the temperature is always kept at about 30 degrees. This permits the cold dry air to circulate throughout the entire vault.

The garments remain in the vault and are ready for delivery in the Fall. However, each garment is carefully inspected before being returned to the customer. Weather also governs the time when garments will be taken out of storage. Requests for delivery begin to come in during the early part of October. With the approach of colder weather and important football games during the latter part of October and

Cold Storage for Pelts and Garments

throughout the month of November, the furrier is stormed with requests for delivery.

"Cold storage has been the unquestioned method of caring for fur apparel for generations. Long before we were blessed with refrigerating machinery, the cool underground vaults of buildings, or the family cellar, or even the icehouse were used to protect the precious furs against the ravages of heat and moths.

"As we have advanced in our knowledge of furs and chemistry we learned that fur to be safe from the moth grub must not only be kept in a cool place where the moth eggs or larvae would not hatch out and get to work on the fur skin, but it must also be perfectly clean, that is, free from all dust and moth eggs or germs."¹

It is hard to estimate the amount of potential business that remains undone in this branch of the industry. Thousands of people store their furs at home without realizing that it is unsound economy. The small saving that they make is more than offset by the lack of care and the dangers to which the garment is exposed to during the Summer months. Only a small percentage of the garments actually stored with a furrier have the necessary special cleaning, repairing and remodelling attended to. However, it is believed that the leaders in the fur industry are beginning to see the possibilities that are open in this direction.

1. "Furs for Department Stores and Specialty Shops." July, 1930. p. 16 Vol. 4 No. 9. Published by Fur Trade Review.

Cold Storage for Pelts and Garments

During the last three or four years a number of furriers have been protecting furs in storage by fumigation instead of by refrigeration. Many in the trade believe that this new and simple method will be in more general use when its value and low operating cost is recognized. The endorsers of this latest method claim that fumigation destroys all germs and moth eggs. They claim that the danger of moths developing before or after the coat goes into storage is eliminated as soon as it has been properly treated in the fumigation cabinet. If this latest method is found to be more practical and less costly than the present method, it will no doubt be used more extensively.

Chapter 11

Financing, Accounting, and Insurance Methods

Employed in the Fur Industry

Financing

Because of the peculiar nature of the fur business, the problem of properly financing an enterprise in any branch of the trade is vitally important and more delicate than in many other lines of industry.

As a rule, the majority of concerns engaged in the fur business are necessarily small individual proprietorships, partnerships, joint stock companies and corporations, because a great deal of personal supervision must be given by the management in carrying on the business. The financial set-up must be elastic enough to take care of rapid changes in the need for funds. Prices of raw materials and the volume of business, both national and international, may readily fluctuate from 10 to 50 per cent. In some branches of the business the turnover is prompt and is on a cash basis in buying and selling. While in other branches of the industry it may be necessary to pay cash, to carry the goods for a considerable length of time, and finally sell the manufactured product either on open account or on the installment plan. Finally, a concern must be prepared to carry on business during a depression. The fur trade is largely a one line industry for most individual concerns, because they deal in their particular end of the business. It is still, to a certain extent, a luxury business; therefore, it is one of the first

Financing

to be affected by a downward trend in trade, and one of the last to be relieved when business conditions improve. However, it is a lucrative business, and if prudently managed it can be carried on successfully.

In most cases, the initial capital is contributed by those that are to be actively engaged in the business. Corporate stock is closely held and very seldom sold to the general public, or traded in the stock market. When the enterprise is successfully launched, the balance of the money required is secured by borrowing from banks or buying on extended credit.

Further information on the method of financing and extending credit was obtained as the result of a personal interview with a banker.^{1.}

All requests for credit must be accompanied with a certified copy of the latest financial statements,^{a.} namely, the Balance Sheet and the Profit and Loss Statement. After the Statements are carefully analyzed the following facts are weighed before a line of credit is rejected or established:

1. Net Worth.
2. Moral Risk of the Individual.
3. How long has he been in business?
4. What branch of the business is he in?
 - a. Trapper.
 - b. Country collector.
 - c. Raw fur dealer or distributor.
 - d. Auction Company.
 - e. Dresser & Dyer.
 - f. Dressed fur dealer.
 - g. Manufacturer.
 - h. Trimming man.
 - l. Retailer.

1. Mr. T. Wagenhouzen, Assistant Credit man to Mr. Van Pelt.
The Bank of America, 26th Street & Seventh Ave., New York City.
- a. The following copies are appended at the end of this section:
 1. Firm Statement or Individual Statement.
 2. Corporation Statement.

Financing

In granting credit based upon the information derived from investigation and analysis of statements, the following principles are adhered to:

1. A 20% balance must be maintained against borrowings.
2. The bank never loans to a man on his own paper or on customers' paper a sum exceeding the net worth.
3. Both goodwill and the value of machinery and fixtures are eliminated in considering net worth.

A line of credit is established for one year, provided that the investigation of how the individual discharges his obligations is found satisfactory. Secured loans are primarily based upon the nature of the security. Unsecured loans are based upon the financial statement and information obtained from the investigation conducted.

The following credit instruments are commonly used for a secured loan:

- a. Discounted Customer's paper.
- b. Domestic Letter of Credit.
- c. Import Letter of Credit.
- d. Negotiable Warehouse Receipt.
- e. Trust Receipt.
- f. Promissory Note.

Most of the trappers get cash as soon as they sell their pelts. Country collectors may either get cash or send their pelts on consignment to raw fur dealers or distributors. The distributors usually called raw fur dealers either purchase locally, or import their requirements. They are financed through the extension of secured or unsecured loans, and in addition to this their sales are financed by the discounting of customers' notes received in payment of merchandise sold. Purchases made from auction companies are some times financed

Financing

through Domestic Letters of Credit, issued in favor of the purchaser. Frequently, after the sale is made the merchandise is placed in a warehouse, Negotiable Warehouse Receipts being issued in the name of the purchaser who endorses it to the bank as security. Financing through Import Letters of Credit has always been and will always be an important method in the fur trade. In this case the letter of credit is issued in favor of a customer of the bank, thereby financing purchases abroad. As a letter is issued and drafts are drawn against the credit, merchandise arriving in the country may either be released on Trust Receipts which for practical purposes are without security, or may be stored in a warehouse, the usual Negotiable Warehouse Receipt being issued in the name of the purchaser and endorsed to the bank. Raw fur dealer or distributors and auction companies also conduct a large amount of business on a cash basis.

Fur dressers and dyers usually get cash, or sometimes they grant credit on a Promissory Note. They are financed principally by discounting customers' notes received in payment, therefore they do not borrow on their own notes. Dressed fur dealers sell to smaller dealers or to manufacturers for cash, in some cases, but generally on credit extending from four to five months. Manufacturers of finished garments borrow either on their own notes, on customers' notes discounted, or occasionally on other forms of security. Trimming men and retailers buy on credit, but are ever ready to take advantage of an exceptional opportunity on a cash basis.

Financing

Despite the fact that credit is extended with care, there are a large number of failures recorded during the course of each year. Men with small capital, speculators, incompetents, and weak credit risks largely swell the total number of failures and the extent of liabilities involved.

Banks and trade associations, particularly the American Fur Merchants' Association, Inc., are doing their best to correct the situation.

Because of the long credit terms involved in the fur business, a seller keeps in close touch with the credit standing of potential and actual buyers. The credit standing of any merchant can be looked up in the mercantile directories compiled by the Bradstreet Company, and R. G. Dun and Company. But in order to meet the demands of the fur trade for up-to-the minute information, The American Fur Merchants' Association, Incorporated, is maintained at 333 Seventh Avenue, New York City.

According to Mr. J. H. Bleistein,^{1.} the purpose of the American Fur Merchants' Association, Inc., is primarily to advise its members against making mistakes in granting credit to their customers, not because the financial risk involved in the fur business is any greater than is any other lines of business, but because of the fact that the fur business, being

1. Personal Interview.

Mr. J.H.Bleistein Proprietor
J.H.Bleistein, Inc.,
130 W. 30th Street,
New York City

Also President of
The American Fur Merchants'
Association, Inc.,
333 Seventh Avenue,
New York City.

Financing

a seasonable one, may require relatively long credit terms as compared with other lines of business.

In other words, the Association's purpose is to maintain a strict control over the basic credit standing of the members of the industry, in so far as they are customers of the members of the American Fur Merchants' Association, Inc. To aid them in their work, each member is required to mail a certified copy of his financial statements annually. ^{a.} These customers, who mail financial statements to the Association, are in most instances manufacturing furriers or fur retailers. Trial Balances must be submitted each month. Each merchant's credit standing is kept up-to-date by verification of the Financial Statements, Comparing Trial Balances, verification of Bank Statements, ageing accounts, control of indebtedness of members, and keeping track of payments. When all of this has been completed, the credit committee rates and issues the credit standing of each member. This information is supplied to inquiring members either personally, by mail, or over the telephone.

In addition to gathering and issuing credit information, and helping its members to carry business on successfully; this association stands ready to give constructive help to its members whenever they are in difficulty. Following this same policy, the members of the Association act through the Association as a unit when it comes to the adjustment of insolvencies. Unified action is taken for the renewal of a note. In insolvencies the President has the power to settle cases. The

a. Copy is appended at the end of this section.

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Association initiates prosecution against members for concealing assets and sends them to jail. By doing this the Association keeps its members away from the complicated machinery provided to carry on the commercial laws of trade. Theirs is a simple procedure and they render a verdict that is legal.

The work of the American Fur Merchants' Association, Inc., is not limited to that already described. In addition, it publishes statistical data covering its membership for each year and compares and analyzes the following items with the results of preceding years:

- (a). Analysis of Sales.
- (b). Analysis of Insolvencies.
- (c). Extent of Liabilities.
- (d). Association Losses.
- (e). Analysis of Ratings.
- (f). Per cent of Losses on Sales.
- (g). Percentage of Recoveries on Insolvencies.

An analysis of the members' sales on credit is shown by reports covering the Analysis of Sales. Credit sales for the past five years are listed and totaled. Then the annual arithmetic average is computed by dividing the number of years (5 in this case) into the total credit sales. The per cent of increase or decrease in the volume of sales for the past year, as compared with the average, is then indicated. Finally, a comment is made for any notable rise or slump in the trend of sales for any particular month during the past year.

Financing

The number of failures in the Fur Industry, as shown by the records of the Association, is compiled in the report covering the Analysis of Insolvencies. This total is broken up to show the number that arose in New York City and the number that occurred in other cities throughout the United States. Then a comparison is made, covering the same period for the preceding year.

A comparison of the total liabilities reported for this year is made with the same period of the preceding year, showing the Extent of Liabilities. The increase or decrease in liabilities, as the case may be, is also reported.

Association Losses, compares the losses sustained by members of the Association during the current year with losses during the same period for the previous year. The increase or decrease is shown. The per cent of association losses to the total losses is reported for the current period. This is compared with the per cent of the previous period, and the increase or decrease in per cent and dollars is shown.

In the Analysis of Ratings, a study is made of the failures that were reported during the past year, some of which were rated during the preceding year. This analysis is set up in the following form:

Financing

Rating	Total Losses	Ass'n. Losses	Per cent of Ass'n. losses
A.	\$	\$	
B.			
C.			
D.			
E.			
F.			
X.			
No Rating, No Report			
Y. & Z.	\$	\$	100%

The total sales reported by members must appear first on the report showing the Percent of Losses on Sales. Then the Gross Losses sustained by members of the association for the same period are recorded. Finally, the ratio of losses on sales is shown in per cent as computed from the figures submitted.

It is the Legal Department that reports on the Percentage of Recoveries on Insolvencies. Unfortunately, the per cent of recovery is not as large as it should be, because members persist in extending credit to customers with X, Y, Z ratings and Non-Rated Accounts, that are responsible for over one-third of the losses sustained.

During the course of the year the Association keeps the members informed by publishing, each month, the information described above.

It renders a valuable service to the members of the Association by maintaining a well organized Report Department, Collection Department, Telephone Information Department, Bookkeeping Department, and Arbitration Department.

It participates in movements that are a benefit to the fur

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trade. It opposes all movements that would be detrimental to the trade. National and international meetings are held for the purpose of improving the methods of carrying on the fur business.

FIRM STATEMENT**INDIVIDUAL STATEMENT**

Date Established

NAME

ADDRESS BUSINESS

TO **The BANK of AMERICA**
NATIONAL ASSOCIATION

For the purpose of inducing The Bank of America National Association, to extend credit, direct or otherwise, to me/us from time to time, the following statement and information are given, setting forth my/our financial condition on.....19....

I/WE expressly agree to notify The Bank of America National Association of any material reduction of financial responsibility.

In consideration of the granting of such credit, I/we also agree that if I/we fail at any time, or become insolvent, or commit an act of bankruptcy, or if any of the presentations made below prove to be untrue, or if I/we fail to give notice of any material change, as heretofore agreed, then, and in such case, all of my/our obligations held by you shall become due and payable immediately without demand or notice, and the same may be charged against the balance of any deposit account I/we have with you, I/we hereby giving you a continuing lien upon such balance of deposit account from time to time existing to secure all of my/our obligations held by you.

ASSETS					LIABILITIES				
All blank spaces must be filled in, the word "none" to be used where this term applies.									
Cash on Hand					Notes Payable to Banks (Must Correspond with Column 2 Schedule A)				
Cash in Banks (As Listed under Schedule A)					Notes Payable for Merchandise				
Notes Receivable of Customers (Within Terms of Sale)					Notes Sold Through Brokers				
Acceptances of Customers (Within Terms of Sale)					Notes Payable to Others				
Accounts Receivable of Customers					Due Branches or Associated Companies				
Due from Other Sources					Accounts Payable for Merchandise				
Merchandise Finished (At Cost or Market)					Accounts Payable Past Due				
Unfinished (At Cost or Market)					Funds on Deposit with this Firm				
Raw Material (At Cost or Market)					Taxes: Federal \$ Other \$				
U. S. Gov. Securities					Due Partners and Others				
Other Current Assets: (As Listed under Schedule B)					Other Current Liabilities (As Listed under Schedule E)				
Total Current Assets					Total Current Liabilities				
Due from Controlled or Allied Companies					Chattel Mortgages				
Due from Partners, Employees, Etc.					Real Estate Mortgages				
Real Estate and Buildings (As Listed under Schedule G)					Other Liabilities (As Listed under Schedule F)				
Machinery and Equipment					Total Liabilities				
Investments (As Listed under Schedule C)					Reserves, Depreciation, Plant and Equipment				
Prepaid Insurance, Taxes, Etc.					Reserves, Bad Debts and Doubtful Accounts				
Good Will, Patents, Drawings, Etc.									
Accounts Receivable of Customers Past Due									
Stocks in Assoc. or Affil. Companies									
Other Assets: (As Listed under Schedule D)					Net Worth				
Total \$					Total \$				

Amount of Notes or Acceptances of Customers, Discounted, Sold, or Otherwise Transferred, Not Included in Above Assets \$.....

Profit and Loss Statement for Fiscal Year Ending....., 19....

Gross Sales				
Less Returns, Etc.				
Net Sales				
Less Cost of Sales—Merchandise	\$			
Productive Labor	\$			
Overhead Expense	\$			
Gross Profit on Sales				
Less Administrative and Selling Expense				
Net Profit on Sales				
Other Income—Interest	\$			
Discounts	\$			
Commissions	\$			
Investments	\$			
Gross Income				
Less Charges—Interest	\$			
Discounts	\$			
Bad Debts	\$			
Depreciation (Plant, Etc.)	\$			
Depreciation (Merchandise)	\$			
Net Income				
Less Withdrawals:				
Net Gain (or Deficit) for Period				
Net Worth (Previous Fiscal Period)				
Net Worth as shown in Balance Sheet Herewith				

Amount of Merchandise Received on Consignment \$	Amount of Merchandise Shipped on Consignment \$
Fire Insurance on Merchandise \$	Buildings and Equipment \$
Life Insurance Carried by Members of Firm Amounts to	Person(s) Insured
Are your Outstanding Receivables covered by Credit Insurance?	
If you have any Mortgage Indebtedness, please state what Assets have been pledged as Security therefor:	
Are any of your Assets pledged, hypothecated or subject to any lien, except as mentioned in the preceding paragraph? If so please give details:	
None of the above Liabilities are secured by collateral or otherwise (Except)	
Upon what basis is merchandise inventoried?	
If you have any doubtful or slow accounts, please state what provision has been made therefor:	
In what amount is your firm contingently liable on the following?:	
Customer's notes discounted, sold or otherwise transferred	
Upon drafts negotiated	
For accommodation endorsements	
For guarantees given	
Upon bonds or other obligations for others	
Under contracts of purchase agreements.	
Under pending law suits	
Under contract for purchase of merchandise	
Are any of your members contingently liable as endorsers or guarantors as specified under previous heading?	
Give names of brokers, if any, to whom your paper is sold	
State usual selling terms	
State usual purchase terms	
If the firm has any branch offices state location and how accounts are handled with parent office.	

All blank spaces must be filled in, the word
"none" to be used where this term applies.

If the firm or any member is connected with any other business, state name and nature of the business and extent to which interested.

The following named books of account are kept

If your books are audited periodically by certified accountants, state when last audited and by whom

What was the Amount of your maximum and minimum indebtedness during the year and the date of each

BANKS OF DEPOSIT (SCHEDULE A)		COLUMN (1)	COLUMN (2)	
NAME	ADDRESS	BALANCE	OWING	LINES GRANTED

OTHER CURRENT ASSETS (SCHEDULE B)

INVESTMENTS (SCHEDULE C)

OTHER ASSETS (SCHEDULE D)

OTHER CURRENT LIABILITIES (SCHEDULE E)

OTHER LIABILITIES (SCHEDULE F)

DATE OF PARTNERSHIP.....DATE OF EXPIRATION.....

GENERAL PARTNERS

NAME	Amount Con-tributed	Net Worth Out-side this business

SPECIAL PARTNERS

NAME	Amount Con-tributed	Partner Until

TRADE REFERENCES (GIVE AT LEAST 6)

I/We hereby certify that the foregoing figures are taken from my/our books and that they and the statements contained on both sides of this sheet are true and give a correct showing of my/our financial condition.

NAME

Engaged in business of..... By
(Member of Firm or Proprietor)

Location Date Signed

(SEE OVER)

LIST ALL REAL ESTATE HOLDINGS

[illegible]

CORPORATION STATEMENT

Date Established

Date Incorporated

NAME (Corporate Title)

ADDRESS BUSINESS

TO **The BANK of AMERICA**
NATIONAL ASSOCIATION

For the purpose of inducing The Bank of America National Association to extend credit, direct or otherwise to us from time to time, the following statement and information are given, setting forth our financial condition on.....19....

We expressly agree to notify The Bank of America National Association of any material change of financial responsibility.

In consideration of the granting of such credit, we also agree that if we fail at any time, or become insolvent, or commit an act of bankruptcy, or any of the representations made below, prove to be untrue, or if we fail to give notice of any material change, as heretofore agreed, then, and in such case, all our obligations held by you shall become due and payable immediately without demand or notice, and the same may be charged against the balance of any deposit account we have with you, we hereby giving you a continuing lien upon such balance of deposit account from time to time existing or any other property of ours in your possession or custody to secure all of our direct or indirect obligations held by you.

ASSETS				All blank spaces must be filled in, the word "none" to be used where this term applies.				LIABILITIES			
Cash on Hand					Notes Payable to Banks (Must Correspond with Column 2 Schedule A)						
Cash in Banks (As Listed under Schedule A)					Notes Payable for Merchandise						
Notes Receivable of Customers (Within Terms of Sale)					Notes Sold Through Brokers						
Acceptances of Customers (Within Terms of Sale)					Notes Payable to Others						
Accounts Receivable of Customers					Due to Controlled or Allied Companies						
Due from Other Sources					Accounts Payable for Merchandise						
Merchandise Finished (At Cost or Market)					Accounts Payable Past Due						
Unfinished (At Cost or Market)					Funds on Deposit with this Corporation						
Raw Material (At Cost or Market)					Taxes: Federal \$ Other \$						
U. S. Gov. Securities					Due Officers, Stockholders and Employees						
Other Current Assets: (As Listed under Schedule B)					Other Current Liabilities (As Listed under Schedule E)						
Total Current Assets					Total Current Liabilities						
Due from Controlled or Allied Companies					Chattel Mortgages						
Due from Officers, Stockholders or Employees, Etc.					Real Estate Mortgages						
Real Estate and Buildings (As Listed under Schedule G)					Bonded Debt (Due)						
Machinery and Equipment					Other Liabilities (As Listed under Schedule F)						
Investments (As Listed under Schedule C)					Total Liabilities						
Prepaid Insurance, Taxes, Etc.					Reserves, Depreciation, Plant and Equipment						
Good Will, Patents, Drawings, Etc.					Reserves, Bad Debts and Doubtful Accounts						
Accounts Receivable of Customers Past Due					Capital Stock Outstanding Preferred						
Stocks in Assoc. or Affil. Companies					Capital Stock Outstanding Common						
Other Assets: (As Listed under Schedule D)					Surplus and Undivided Profits						
Total \$					Total \$						

Amount of Notes or Acceptances of Customers, Discounted, Sold, or Otherwise Transferred, Not Included in Above Assets \$

Profit and Loss Statement for Fiscal Year Ending....., 19....

Gross Sales				
Less Returns, Etc.				
Net Sales				
Less Cost of Sales—Merchandise	\$			
Productive Labor	\$			
Overhead Expense	\$			
Gross Profit on Sales				
Less Administrative and Selling Expense				
Net Profit on Sales				
Other Income—Interest	\$			
Discounts	\$			
Commissions	\$			
Investments	\$			
Gross Income				
Less Charges—Interest	\$			
Discounts	\$			
Bad Debts	\$			
Depreciation (Plant, Etc.)	\$			
Depreciation (Merchandise)	\$			
Net Income				
Less Dividends:				
Preferred Shares (Rate)	\$			
Common Shares (Rate)	\$			
Net Gain (or Deficit) for Period				
Surplus and Undivided Profits (Previous Fiscal Year)				
Surplus and Undivided Profits shown in Balance Sheet Herewith				

Amount of Merchandise Received on Consignment \$	Amount of Merchandise Shipped on Consignment \$
Fire Insurance on Merchandise \$	Buildings and Equipment \$
Life Insurance for Benefit of Company Amounts to \$	Person(s) Insured
Are your Outstanding Receivables covered by Credit Insurance?	
If your Company has any Mortgage or Bonded Indebtedness, please state what Assets have been pledged as Security therefor:	
Are any of your Assets pledged, hypothecated or subject to any lien, except as mentioned in the preceding paragraph?	
If so please give details:	
None of the above Liabilities are secured by collateral or otherwise (Except)	
Upon what basis is merchandise inventoried?	
If you have any doubtful or slow accounts, please state what provision has been made therefor:	
In what amount is your company contingently liable on the following?:	
Customer's notes discounted, sold or otherwise transferred upon drafts negotiated	
For guarantees given	
Upon bonds or other obligations for others	
Under contracts of purchase agreements.	
Under pending law suits	
Under contract for purchase of merchandise	

All blank spaces must be filled in, the word
"none" to be used where this term applies.

Are any of your officers contingently liable as endorsers or guarantors as specified under previous heading?

Give names of brokers, if any, to whom your paper is sold

If your paper bears personal endorsements, please give net worth of endorsers exclusive of their interest in this company

State usual selling terms

State usual purchase terms

The following named books of account are kept

If your books are audited periodically by certified accountants, state when last audited and by whom

What was the Amount of your maximum and minimum indebtedness during the year and the date of each

BANKS OF DEPOSIT (SCHEDULE A)

COLUMN (1)

COLUMN (2)

NAME

ADDRESS

BALANCE

OWING

**LINES
GRANTED**

OTHER CURRENT ASSETS (SCHEDULE B)

INVESTMENTS (SCHEDULE C)

OTHER ASSETS (SCHEDULE D)

OTHER CURRENT LIABILITIES (SCHEDULE E)

OTHER LIABILITIES (SCHEDULE F)

PRINCIPAL STOCKHOLDERS AND OFFICERS

Shares Owned
Common Preferred

WORTH OUTSIDE OF CORPORATION
AMOUNT DETAILS

TRADE REFERENCES (GIVE AT LEAST 6)

We hereby certify that the foregoing figures and those on the back hereof are taken from our books and that they are true and give a correct showing of our financial condition.

NAME.....

DATE SIGNED.....

BY.....

(SEE OVER)

(Schedule G)
LIST ALL REAL ESTATE HOLDINGS

[illegible]

The American Fur Merchants' Association, Inc.

333 Seventh Avenue

New York

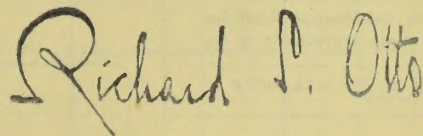
Dear Sir:-

Please send us by mail your latest statement showing your financial condition filled in on the following blanks, certified to by a Certified Public Accountant.

All statements submitted to the Association must have a detailed inventory of merchandise attached, showing separately raw material, finished merchandise and merchandise in the process of manufacture.

Yours truly,

THE AMERICAN FUR MERCHANTS' ASSOCIATION, INC.

A handwritten signature in dark ink, reading "Richard P. Otto". The signature is written in a cursive style with a large, stylized "R" and "O".

ACTUARY.

Furnished, made and sent through the U. S. Mail,
Received:—

The Following Statement is made to the members of
The American Fur Merchants' Association, Inc.
New York City
333 Seventh Avenue

For the purpose of obtaining credit from its members

Name of Firm or Corporation

Names of Partners or Officers

Address.....

Business :.....Furs.....

Insert here Date of Statement and Inventory

ASSETS

Cash on hand	\$		
Cash in Bank			
Bills Receivable for Merchandise (Notes) actual value			
Other Bills Receivable.....			
Accounts Receivable for Merchandise not over 1 year old and good (net).....			
Other Accounts Receivable			
Accounts Receivable over one year old.....			
Merchandise at cost	{	Skins	
		Silks and Supplies	
		Mfd. Goods	
Machinery & Fixtures, actual value.....			
Real Estate, actual value.....			
Other Assets, actual value..... (indicate of what composed)			
Total Assets	\$		
Total Sales for the year.....			
Fire Insurance			
Burglar Insurance			
Amount of contingent liabilities.....			
Have any of the Partners confidential liabilities not mentioned in the above statement; if so, amount thereof?			
How much have you bought in 1929 with dating of 1930?			

DIRECT LIABILITIES

OF ALL KINDS IN AND OUT OF THE BUSINESS

For Merchandise from last year.....	\$		
On Open Account for Merchandise.....			
On Notes given for Merchandise.....			
Owing to Banks			
To others for Borrowed Money			
On Deposit			
Reserved for Excess Profits and Income Tax			
Mortgage on Real Estate			
Other indebtedness, including Confidential Money			
Total Amount of Indebtedness.....	\$		
Net Worth to Balance.....	\$		
Total	\$		

Bank and Trade References:

.....
.....
.....
.....

Will you retain your books of the previous year till the end of this year?

Do you keep a record containing a detailed schedule of your merchandise mentioned in the above statement?

The foregoing statement, both written and printed is true to the personal knowledge of the undersigned and contains all indebtedness for confidential money owed by any member of the firm.

We keep a Ledger, Cash Book, Stock Book, Sales Book, Calculation Book and (Cross out books not kept and insert any others) in which the various items contained in this statement appear.

For the purpose of obtaining credit from the members of your Association and with the intention that it should be relied upon by them, there is submitted herewith a statement of our financial condition. The figures contained therein are recorded in our books of account which are kept by us (me) in the regular course of our (my) business, are a true and active transcript of our (my) said books; the facts and figures contained in the following statements have been compared by the undersigned with the entries in our (my) said books and they are true and accurate to the personal knowledge of the undersigned, and are a true statement of assets, liabilities and net worth of this business.

Has this statement been audited by your Accountants?.....

Name of Accountants

Address of Accountants

I (we) hereby certify that the above statement is the true and accurate financial condition of the company as of.....

Signature of Accountant

Signature of firm or corporation

By Whom.....

FILL OUT STATEMENTS ON PAGE THREE

A COPY OF YOUR MERCHANDISE INVENTORY SHOULD BE ATTACHED TO THIS STATEMENT

Please have your statement certified to by a Certified Public Accountant, as the certification will greatly facilitate the work of the Association, and aid in suggesting the proper credit rating for you.

PROFIT AND LOSS STATEMENT

Beginning....., 19....., and Ending....., 19.....

[illegible]

RECONCILIATION OF CAPITAL

Beginning....., 19....., and Ending....., 19.....

Capital at Beginning of Period.....						Total Capital Brought Forward.....					
ADDITIONAL CONTRIBUTIONS TO CAPITAL						DEDUCT					
Additional Contributions to Capital.....						Drawings (Exclusive of Salaries).....					
Profit and Loss Adjustments.....						Dividends or Other Charges.....					
Net Profit for the Period—As Above.....						Net Loss for the Period—As Above.....					
						TOTAL DEDUCTIONS					
TOTAL CAPITAL						Capital at End of Period.....					

MEMBERS OF THE AMERICAN FUR MERCHANTS' ASSOCIATION, Inc. NEW YORK CITY

ABRAHAM FUR CO.
ADELMAN JOS. & SON
ADLER, JACOB & SON
AMERICAN UNION BANK
ANIS J. & LIPPMAN
ANSHEN LOUIS
APFELBAUM HERMAN, INC.
ARONIN, M. & SONS
ART SILK CO.
ASH FUR CO.
ASHTON & WOLFORD, INC.
ATKINS, L. G. Co., INC.
AUERBACH, LOUIS

BAIKAL FUR TRADING CORP.
BAK FUR CORP.
BALK B.
BANK OF AMERICA
BANK OF U. S.
BANK OF THE UNITED STATES
BANK OF YORKTOWN
BARON F. CORP.
BAUER, SAMUEL & SONS, INC.
BENJAMIN, JACOB
BERLIN, NATHAN
BERNSTEIN, ALEX A., INC.
BERNSTEIN, M. & SONS
BILDNER, & SCHEY
BLEISTEIN, J. H., INC.
BLUSTEIN, DAVID & BRO.
BLY & WINNER
BREECKER BROS.
BREITMAN, M. & SON
BRENNER BROS.
BRICKNER & BERNFIELD, INC.
BRILLIANT SILK MFG. CO., INC.
BRIMBERG BROS., INC.
BROADWAY NATIONAL BANK & TRUST CO. (THE)
BROD, MORRIS
BROSTERMAN M. & Co.
BROWN & SOKALNER
BUCHSBAUM JOSEPH
BUCHSPIES M. B., INC.
BURNSTIN, A., Co. INC.

C. F. T., INC.
CANADIAN FUR AUCTION SALES CO., LTD.
CANTOR & ANGEL, INC.
CARACUL FUR CO., INC.
CENTRAL NATIONAL BANK
CHAPLINSKY, M.
CHASE NATIONAL BANK
CHATAM & PHENIX NATIONAL BANK
CHERNY FUR Co., INC.
CITROEN, J.
COHEN, J. & SONS FUR Co., INC.
COHEN LOUIS A. & BRO., INC.
COHEN, MICHAEL & PRENSKY
COHEN, SIMON A. FUR Co., INC.
CHAPAL, FRERES C. & E. & CIE.
COHEN & TOPPER
COHN B. & SON
COMPETENT FUR DRESSERS, INC.
CONTINENTAL FUR CORP.
CREATIVE SILKS, INC.
CREDIT TRADING CORP.

DAMMAN BROS.
DANNENBERG, MANNIE
DEIFIK & PRUFER
DERBY VELVET CO.
DIAMOND, NATHAN
DICKLER & ORENSTEIN
DINERSTEIN BROS., INC.
DOCTOR SAMUEL

EDELMAN, SAMUEL
EDELMAN, A. S. & Co., INC.
EISENBACH, ALFRED
EISENBACH, HARRY & Co.
EITINGTON-SCHILD CO., INC.
ELLMAN & GITELMAN, INC.
ELM FUR CO.

ENTE, HENRY
EPSTEIN, E. & SON
ENGLE, HENRY H. INC.
EQUITABLE TRUST CO. OF N. Y.
ESSENFELD & Co.
EULENSTEIN EMIL PAUL

FISCHLER BROS.
FLAM, ADOLPH
FOX GEO. I. CORP.
FOX'S CARL SONS
FRASER, ALFRED
FRIEDMAN, L. & W., INC.
FRIEDMAN, PAUL & SONS
FUCHS & MANDEL
FUERST & STEINLAUF
FUR BROKERS ASSOCIATION OF THE CITY OF NEW YORK
FUR DRESSERS' & FUR DYERS' ASS'N, INC.
FURRIERS SUPPLY CORP.

GABBE, HERMAN & BRO., INC.
GANS, HERMAN, INC.
GAUDIG G. & BLUM CORP.
GELLIS-KAPLAN CO., INC.
GENERAL HIDE & SKIN CORP.
GERBER HARRY
GITLER & Co., INC.
GLASS & SCHULMAN
GOEDECKE, OSCAR A. & SON
GOETZE, FRERES, INC.
GOLD, A. S. & BRO., INC.
GOLDSMITH, & SOLOW, INC.
GOLDSTEIN, A. & SON
GOLDSTEIN, S. & BRO.
GOODMAN BROS.
GORSTEIN & MILLER
GREENBAUM & LEVEY
GREENWALD BROS.
GROSS & HEPNER
GROSSMAN, BROS.

HAIMOWICZ, H.
HARRIS, B. WOOL CO.
HART & RITTER, INC.
HAUSNER LOUIS
HENBERT SILK CO.
HERMAN, SOL
HERMAN I. & SONS
HERNE WALTER L. Co., INC.
HERSKOVITS, ALBERT & SONS, INC.
HERZIG, & HART, INC.
HOLLANDER A. & SON, INC.
HOLLANDERIZING CORP. OF AMERICA
HOLMAN, B., INC.
HONG KONG & SHANGHAI BANKING CORP.
HOTCHNER BROS. CORP.
HUTH FRED'K & Co.

INDUSTRIAL NAT'L BANK OF N. Y.
INTERNATIONAL FUR MERCHANTS', INC.
INTERNATIONAL GERMANIC TRUST CO.
INTERNATIONAL UNION BANK
INTERSALES CORP. OF AMERICA
IRVING TRUST CO.
ITZKOFF, M. & SONS

JACOBSON, BROS.,
JACOBSON, & KUPITSKY
JAFFE, G. H. & I. INC.
JARDINE, MATHESON & Co.

KAHN, SAMUEL & SON
KALB, CHARLES
KAPLAN & KAPLAN, INC.
KASSMAN, NATHAN
KASSMAN & MANCHER
KAUFMAN-PANITCH CO., INC.
KESTENBAUM BROS.
KHEEL, A. & SONS, INC.
KIRSCHNER, A. M., INC.
KIRZON, A.
KLEIN, SOL

KLEIN, BEN & Co., INC.
KLEIN & BERNSTEIN
KLEINMAN & SCHWARTZ
KLEPNER S. & SONS
KLUGMAN'S JULIUS SONS, INC.
KNERLL-MARKS Co., INC.
KOENIGSWERTHER HEINRICH, M., INC.
KOFKY BROS., INC.
KRAMER BROS. & GREENSPAN, INC.
KRIEGER ISADORE, INC.
KRUSKAL & KRUSKAL, INC.

LASKIN J., & SONS, INC.
LAUDER F. V.
LEFCOURT NORMANDY NATIONAL BANK
LEHMAN, L. & SON
LEHMAN & SEIDMAN
LEVIN FUR CO.
LEVY, JULIUS & Co.
LEWIN CURTIS FUR CORP.
LEWIS JACOB
LICHTENSTEIN M. & BRO.
LIEBERGALL BROS. CO.
LOSHAK N.

MALLET JEAN INC.
MALLINSON H. R. & Co., INC.
MANUFACTURERS TRUST CO.
MARGOLYES A. B., INC.
MARGULIES & RATNER, INC.
MARON, MAX
MAURER, M. J. & BRO.
MAYFAIR SILK CORP.
MEEHAN, DANIEL F. INC.
MEHLHORN, LEVY & LEVINE, INC.
MEISELMAN & FELSENSTEIN
MEISELS, HENRY
MESKIN BROS.
MEYERSON J., INC.
MIDTOWN BANK
MILL FUR CORP.
MILLER, B. & H., INC.
MINOWITZ FUR CORP.
MITCHELL, F. B.
MODLIN, M. & SON
MONJO, F. N.
MOOS FUR DYEING CORP.
MORRIS, JULIUS
MUTUAL SILK CO.

NATIONAL CITY BANK OF N. Y.
NATIONAL PARK BANK
NEW YORK AUCTION Co., INC.
NEW YORK BOARD OF FIRE UNDERWRITERS (THE)
NEWMAN & STIEL
NIRENBERG, ABRAHAM H., INC.
NORTHERN FUR Co., INC.

OHSMAN MORRIS
ORIENTAL FUR CORP.
ORION SILK Co., INC.
PACK & Co.
PENNSYLVANIA EXCHANGE BANK
PERTSCHUK & Co.
PILGRIM SILK Co., INC.
PINES, A. & SON INC.
PINGLE WALTER H. (B. HARRIS WOOL CO.)
PLATKY, WILLIAM
PORTER, CHAS. S., INC.
POSNER REUBEN A. & Co. INC.
POTTASCH BROS. Co., INC.
PROMYNADE SILK CO.
PUBLIC NATIONAL BANK

RABINOWITZ, L. & SONS
RABINOWITZ, & SUTTA
RAFEL & JACOWITZ
REICHENTHAL & ZUCKOFF
RELIABLE SILK MFG. Co.

RICHTMAN, PHILIP
ROLLER, JOSEPH G.
ROSE, ALBERT N. & BROS., INC.
ROSENBAUM'S FUR CORP.
ROSENBERG, M. D. AND SILBERT
ROSENBERG & ADLER
ROSENBLAT, M. & SONS
ROSENBLATT & TOWBIN
ROSENFELDER S. & SONS, INC.
ROSENTHAL & BECKERMAN, INC.
ROSNER, O.
ROTBURG & KRIEGER
ROTH SALTZMAN & Co. INC.
ROTHENBERG, PH. & BRO.
ROTHMAN WILLIAM & Co.
RUBIN, PAUL
RUDOFF, SCHNEIDER & CHAIKIN, INC.

SACK & BERNSTEIN
SANDITZ FUR CO.
SCHAPIRA BROS.
SCHEKTER & KAPLAN
SCHELLER BROS.
SCHILD, JOSEPH, INC.
SCHKLAR & HOLLEB
SCHOEN, ISAAC A. & SONS
SCHOENBRUNN, L. & JULIUS KELLER
SCHREIBER, MILTON & Co., INC.
SCHWARTZ, M. J. T. INC.
SCHWARTZ & SCHWARTZ
SEIFTER BROS. & KOSS
SELINGER, HYMAN
SEDLER, HYMAN
SHUBERT, A. B., INC.
SILBERMAN-BECKER CORP.
SOBEL, N., INC.
SOLLENDER, H.
SOLOMON, LITWACK & SILVER, INC.
SPEER EDWARD M., INC.
STEIN, HERMAN
STEIN PHELPS & Co., INC.
STEIN & WALZER
STEINBERG, GOLD & GOLDBERG
STEINER GEO. CO.
STEINER, JOSEPH & BROS., INC.
STERLING NATIONAL BANK & TRUST CO.
STERNSCHEIN, BROS.
STRAUSS, SAMUEL, SONS & Co., INC.
SUPERIOR FUR DYEING Co.
SUSKIND & MONOSON

TAUB-STERNBACH FUR CORP.
TESLER, MAX INC.
THORER & HOLLENDER, INC.
TRADE BANK OF NEW YORK
TURK, I.

ULLMAN, N. CO.
U. S. MUFF BED Co., INC.

VORHAUS, B. & W., INC.

WAGNER, J. & SON, INC.
WALLACH, M.
WECKSTEIN, JACOB & SONS, INC.
WECKSTEIN & WECKSTEIN
WEIL-SHVEDSKY Co., INC.
WEINSCHENKER CHAS., INC.
WEINSCHENKER BROS., INC.
WEINSTEIN BROS.
WEINSTOCK, K.
WEINSTOCK, NATT, INC.
WEISS, ART E. Co., INC.
WELT, MEYER & SON
WESLEY, GEO. W., INC.
WINOGRAD BROS., INC.
WINTER & GAST
WOLMAN, SAMUEL
WORKMAN, M. S. & J. A., INC.

Accounting

An interview with Mr. Urbain Robert,^{1.} who has had considerable experience in auditing the books of small corporations engaged in the fur business, produced the information desired for this chapter.

The accounting methods employed in the fur industry will be discussed from the viewpoint of a small corporation.

Books kept:

- Journal.
- Cash Book.
- General Ledger.
- Accounts Receivable Ledger.
- Invoice Register.
- Cost Journal.
- Subsidiary Records.

Departments:

- Garments and Scarfs.
- Jobbing and Repairs.
- Dressed Skins.
- Cold Storage.

Financial Statements and Reports Compiled:

- Profit and Loss Statement for each department.
- Manufacturing Statement.
- Consolidated Profit and Loss Statement.
- Balance Sheet.
- State and Federal Tax Returns are filed.
- Auditors Report and Recommendations are presented to the management.

A discussion of the books kept may readily be dispensed with, because the bookkeeping procedure is the same as in any other type of business that requires a similar set of records. A brief description of the four departments will serve to clear up any doubt concerning the bookkeeping procedure for each one and for the organization as a whole.

1. Mr. Urbain Robert, C.P.A.
Partner, Danforth, Magee & Robert,
Public Accountants,
Park Square Building,
Boston, Mass.

Accounting

Garments and Scarfs constitute the finished goods inventory of the manufacturer or retailer. It is the product that is sold to the ultimate wearer.

Jobbing and Repairs include all of the repair and make-over work for customers. In other words, it includes all of the work performed in the shop of the manufacturer, with the exception of stock made up for the finished goods inventory.

Dressed Skins are the raw material of the furrier engaged in a manufacturing and retailing business. This department supplies both the Garments and Scarfs, and the Jobbing and Repairs Departments with the required skins for manufacturing and repairing purposes.

The Cold Storage Department is active practically all year round, but particularly from the first of April to the end of November. Customers' furs are placed in storage for a nominal charge. A very large percentage of the work done by the Jobbing and Repairs Department is obtained from customers who desire to have any necessary work on their garments completed before they are placed in the cold storage warehouse.

All direct labor is charged to the respective departments. A fixed per cent of direct labor is charged as overhead to the cost of sales in the first two departments discussed, namely; the Garments and Scarfs Department, and the Jobbing and Repairs Department. Any variance between the actual and standard overhead or manufacturing expense is taken care of in the Unabsorbed Shop Expense Account.

Accounting

Strict control is maintained over inventories, particularly in the Garments and Scarfs Department and the Dressed Skins Department. It is the custom to take inventory at least once a month to insure adequate control in these departments. The Goods in Process Inventory must be taken at the end of the fiscal period in preparation for closing the books.

There is a slight difference of opinion concerning the proper time to close the books. Some concerns still persist in closing their books at the end of the calendar year. Investigation concerning the practice followed by large houses showed the following preferences: Raw Fur dealers, February 28; manufacturers and retailers, March 31.

The set-up of the Profit and Loss Statements for each department is as follows:

Exhibit A.

Garments and Scarfs Department.

Gross Sales		XXX	
Less-Returns and Allowances		XXX	
Net Sales			XXX
Deduct-Cost of Goods Sold:			
Garments and Scarfs Inventory, April 1, 1929.	XXX		
Garments and Scarfs Purchased	XXX		
Skins Used	XXX		
Findings Used	XXX		
Direct Labor and Burden	XXX	XXX	
Less-Garments and Scarfs Inventory, March 3, 1930.	XXX	XXX	XXX
Gross Profit on Sales			XXX
Deduct-Operating Expenses:			
Salaries		XXX	
Rent		XXX	
Lighting		XXX	
Commissions		XXX	
Miscellaneous		XXX	XXX
Gross Profit before deducting General Overhead			XXX

Accounting

Exhibit BJobbing and Repairs Department.

<u>Gross Sales</u>	XXX	
Less-Allowances	XXX	
<u>Net Sales</u>		XXX
<u>Deduct-Cost of Sales:</u>		
Skins Used	XXX	
Findings Used	XXX	
Direct Labor	XXX	
Burden	XXX	XXX
<u>Gross Profit on Jobbing and Repair Sales.</u>		<u>XXX</u>

Exhibit C.Dressed Skins Department.

<u>Gross Sales</u>	XXX	
Less>Returns and Allowances	XXX	
<u>Net Sales</u>		XXX
<u>Deduct-Cost of Sales:</u>		
Dressed Skins Inventory, April 1, 1929.	XXX	
Skins Purchased	XXX	
Skins Returned by other Departments	XXX	XXX
Less-Skins Used by other Departments	XXX	
Dressed Skins Inventory.		
March 31, 1930	XXX	XXX XXX
<u>Gross Profit on Dressed Skins Sold.</u>		<u>XXX</u>

Exhibit D.Cold Storage Department.

<u>Gross Sales</u>	XXX	
Less-Allowances	XXX	
<u>Net Sales</u>		XXX
<u>Deduct-Operating Expenses:</u>		
Salaries	XXX	
Rent	XXX	
Truck Expense	XXX	
Insurance	XXX	
Miscellaneous Expense	XXX	XXX
<u>Gross Profit</u>		<u>XXX</u>

Accounting

The following shop expenses are prorated over the Garments and Scarfs, and Jobbing and Repairs Department:

- Salaries.
- Rent.
- Supplies Used.
- Lighting.
- Miscellaneous Expense.

Accounting

Balance Sheet
March 31, 1930.

Assets

Current Assets:

Cash on Hand		XXX	
Cash in Bank		XXX	
Accounts Receivable	XXX		
Less-Reserve for Bad Debts	XXX	XXX	
* Merchandise Inventories:			
Dressed Skins		XXX	
Findings		XXX	
Goods in Process		XXX	
Garments and Scarfs		XXX	
Total Current Assets			XXX

Fixed Assets:

Store Equipment	XXX		
Less-Reserve for Depreciation	XXX	XXX	
Office Equipment	XXX		
Less-Reserve for Depreciation	XXX	XXX	
Factory Machinery and Equipment	XXX		
Less-Reserve for Depreciation	XXX	XXX	
Trucks	XXX		
Less-Reserve for Depreciation	XXX	XXX	
Total Fixed Assets.			XXX

Deferred Charge:

Insurance Prepaid		XXX	
Total Assets		XXX	

Liabilities and Net Worth

Current Liabilities:

Accounts Payable	XXX		
Notes Payable to Banks	XXX		
Notes Payable for Merchandise	XXX		
Total Current Liabilities			XXX

Net Worth:

Common Stock	XXX		
Preferred Stock	XXX		
Surplus	XXX	XXX	
Total Liabilities and Net Worth		XXX	

* Inventories are taken at Cost or Market, whichever is lower.

Accounting

Consolidated Profit and Loss Statement
April 1, 1929 to March 31, 1930.

Gross Sales	XXX	
Less-Returns and Allowances	XXX	
Net Sales		XXX
Deduct-Cost of Goods Sold:		
Garments and Scarfs Inventory, April 1, 1929	XXX	
Add-Cost of Goods Manufactured (See Schedule #1)	XXX	
Total Goods Stocked	XXX	
Less-Garments and Scarfs Inventory, March 31, 1930.	XXX	XXX
Gross Profit on Sales		XXX
Deduct-Operating and Selling Expenses:		
<u>Operating Expenses:</u>		
Office Salaries	XXX	
Office Supplies	XXX	
Depreciation on Store and Office Equipment	XXX	
Rent	XXX	
Light	XXX	
Telephone and Telegraph	XXX	
Postage and Express	XXX	
Taxes	XXX	
Truck Expense	XXX	
Miscellaneous	XXX	
Insurance	XXX	
Legal and Collection Expense	XXX	
Administrative Expenses	XXX	XXX
<u>Net Operating Profit</u>		XXX
<u>Selling Expenses:</u>		
Salaries	XXX	
Rent	XXX	
Advertising	XXX	
Insurance	XXX	
Lighting	XXX	
Commissions	XXX	
Miscellaneous	XXX	XXX
<u>Net Selling Profit</u>		XXX
Add-Other Income:		
Interest	XXX	
Discount on Purchases	XXX	XXX
Total Income		XXX
Deduct-Other Charges:		
Interest	XXX	
Discount on Sales	XXX	
Loss on Bad Debts	XXX	
Donations	XXX	XXX
Balance		XXX
Deduct:		
Unabsorbed Shop Expenses	XXX	
General Administrative Expenses	XXX	XXX
<u>Net Profit</u>		XXX

Accounting

Schedule #1.

Statement Showing Cost of Goods Manufactured.
For Year Ended March 31, 1930.

<u>Goods in Process Inventory, April 1, 1929</u>				XXX
<u>Raw Materials Used:</u>				
<u>Dressed Skins Inventory, April 1, 1929</u>			XXX	
Add-Purchases	XXX			
Less>Returns	XXX	XXX		
Freight-In		XXX	XXX	
<u>Total Goods Stocked</u>			XXX	
Less-Dressed Skins Inventory,				
March 31, 1930.			XXX	XXX
Direct Labor				XXX
<u>Prime Cost</u>				XXX
<u>Add-Manufacturing Expenses:</u>				
Indirect Labor			XXX	
Findings Used			XXX	
Factory Superintendence			XXX	
Power			XXX	
Rent			XXX	
Light			XXX	
Depreciation on Machinery and Equipment			XXX	
Repairs to Machinery and Equipment			XXX	XXX
<u>Total Manufacturing Expenses</u>				XXX
Less-Goods in Process Inventory, March 31, 1930				XXX
<u>Cost of Goods Manufactured</u>				XXX

Additional information concerning the set-up of and the accounts appearing on the financial statements, may be obtained by referring to the forms included in the section under "Financing" in Chapter 11.

State and Federal Tax Returns must be filed for income tax purposes as prescribed by law.

It is customary for the auditor to submit a report to the management when his work is completed.

Insurance

The importance of this topic may be emphasized by quoting the introductory remarks of Mr. Hugo Sterling,^{1.} who read a splendid paper on "Insurance on Furs", at The First World Fur Congress held in Leipzig in 1930.

"The protection of property has always played an important role in the world trade. Up to a short time ago there still were some concerns who thought they could do without insurance. However, in general the fur merchant sees the advantages of protecting his goods when in transit or while it is being dressed, etc., by paying an insurance premium.

"Therefore, in connection with the Fur Convention, it is appropriate to say a few words regarding the insurance of furs, and to see if anything can be done to improve the insurance by explaining several points which are not generally known, and which are not generally appreciated to their full value.

"Also in this line there are important questions which must be solved. Here, at this meeting, where a new International Association is to be established, the realization of an international fur transport insurance should be considered!"

In his paper he offered suggestions for possible improvements in certain world trade customs that have become traditional. In addition, he explained the chief risks involved

1. Mr. Hugo Sterling, Leipzig, Germany.
Paper No. 19, read at the First International Fur Congress, Leipzig, 1930. "Insurance on Furs."

Insurance

and the extent of indemnifications paid in each case. Finally, he pointed out what had been done to reduce the existing possibilities of risk and also how American insurance companies led the way by undertaking the first steps in this direction over two years ago.

1.
A Boston Insurance man, who has had many years of experience in this line of work, stated that the majority of furriers carry at least the following types of insurance:

1. Straight Fire Insurance on Stock, Fixtures, and Machinery in Factory and Salesrooms.
2. Use and Occupancy Policy.
3. Open Stock Policy.
4. Profits Insurance Policy.
5. Insurance on Goods in Warehouse Policy.
6. Personal Fur Floaters Contract.
7. Workman's Compensation Policy.
8. Public Liability Insurance.
9. Miscellaneous types of policies.

Straight Fire Insurance on Stocks, Fixtures, and Machinery in Factory and Salesrooms covers any loss or damage that might be caused by fire, smoke, water, or other causes during the progress of fire, to the property of the proprietor and to the property of others to whom they may be legally responsible.^{a.} Raw materials, goods in process, including labor on these, and finished goods inventories are also fully insured under this policy.

a. The fire need not be on the premises of the assured to cover his property, according to the terms of the policy. Example: The firemen might break down the door of the assured's property to get to a fire in an adjoining building. Furthermore, water damage might be caused by the hose carried through the premises of the assured.

1. Personal Interview.
Mr. Edward M. Peters, President
Edward M. Peters Co., Inc.,
40 Broad Street,
Boston, Mass.

Insurance

In addition to the Fire Policy, furriers carry a Use and Occupancy Policy which is also known as a Business Interruption Indemnity Contract. If business had to be suspended on account of damage caused by fire, the firm or corporation would be indemnified for the loss of profits and also for the fixed overhead, including the salaries to "Key" employees that must necessarily go on during the period for which the business must be shut down. The potential profits on goods in process of manufacture, but not on finished goods, are covered by this policy.

An Open Stock Policy insures the merchant's premises against burglary, while closed, and against robbery, while open for business.

A firm or corporation engaged in both the manufacturing and retailing of fur garments, must necessarily carry a heavy inventory of finished goods in preparation for and during the active Fall and Winter seasons in order to promptly supply the type of garments desired by their customers. If a fire should occur during the time that the finished goods inventory is heaviest, it would in all probability wipe out the profits of the uninsured accumulated during many years. As a safeguard profits against such a risk, the prudent merchant covers the potential profits on his finished goods inventory by a Profits Insurance Policy.

Annually a large percentage of the people store their furs during the Summer months with a local furrier who places them

Insurance

in a cold storage vault. Each customer receives a warehouse receipt or contract upon which is stated the nature and condition of the garment and the charge for storing it. The furrier thereby guarantees to protect the garments stored by his customers in accordance with the specifications enumerated in the warehouse receipt. If anything should happen to the customer's furs placed in his care, he is obliged to replace the garments or to make a cash settlement for the value placed upon them in accordance with the terms of the warehouse receipt issued to the customer. Naturally this would be too great a risk for any firm or corporation to assume. To protect himself and also his customer, the furrier takes out an Insurance on Goods in Warehouse Policy which covers the value of the goods stored in full with the exception of damage done by moths.

This is a contract between the furrier and an insurance company which removes the existing possibility of risk from the hands of the former to the hands of the latter. In addition, many furriers carry insurance against burglary and theft on customers' goods placed in the warehouse.

The Personal Fur Floaters Contract is used to cover the value of furs sold on the installment plan. It protects the buyers and sellers of furs on time as stated in the contract. The purchaser is required to take this policy at his own expense. This contract may or may not have the name of the purchaser and seller incorporated jointly, but in every case it must be written in the name of the purchaser.

Insurance

A Workman's Compensation Policy or Employer's Liability Policy, * is carried by the most progressive fur houses in the country. This is particularly true of concerns located in the states where a Compensation Act applies.

* 1. An Employer's Liability Insurance Policy indemnifies the assured for liability imposed by law for injuries to his workmen. A claim may be settled out of court or without suit, but the claim is always based on negligence of the employer. The action is in tort and the three common law defenses of the Employer are:

(a). Contributory negligence on the part of the injured employee.

(b). Negligence on the part of a fellow servant.

(c). Assumption of risk-i.e.-the employee assumed the risk when he took the job.

* 2. In states where the law applies, an employer may not be sued if he carries Compensation Insurance. Instead the Insurance Company pays stipulated amounts for specific injuries. But if no compulsory Insurance is carried, the Employer may be sued; and he loses the right to plead the three common law defenses mentioned in number one above.

Public Liability Insurance covers the firm against the normal risks incident to the public on its premises, excluding elevators. It also covers the firm's trucks and automobiles.

The Miscellaneous types of policies may vary in number, depending upon the particular requirements of the individual

Insurance

concern. However, there are at least three types that appear to be commonly used and are worthy of being mentioned. When a concern operates its own heating unit, it is considered advisable to carry explosion insurance to cover the steam boiler and any damage that might be caused thereby, even though it is equipped with a safety valve. In fact, the steam boiler must be so equipped before an insurance policy will be issued to cover this hazard. It is also wise to carry Plate Glass Insurance, particularly if the store is established on the street floor. Under the terms of this policy, a broken window will be replaced at the expense of the Insurance Company. Perhaps one of the most important types is the Life Insurance or so called "Brain Insurance" policy, wherein the firm is named as beneficiary to help cover the loss sustained by the death of a major executive or key man. Of course, this type of insurance is not used exclusively or as extensively as it should be by the fur trade. However, it is expected that in time the value of this type of insurance will be more fully appreciated.

Chapter 12

Economic Importance of the Fur Industry

The Economic Importance of the Fur Industry is greater than the average person realizes. Statistics on the World production of fur skins are presented in section 2, in the appendices. Europe had control of the trade until 1900. Since then the United States has steadily forged ahead and is now recognized as the leading fur producing and trading country in the world.

In 1900 we started to import furs on a fairly large scale. By 1910 we were very heavy importers and have continued to be right up to the present time. Furs and skins are imported from practically every part of the globe. The imports for 1920 were well over \$100,000,000, and exports for the same year were about \$25,000,000. This ratio is pretty well maintained right along. Raw skins are the most important item in the total of \$200,000,000 worth of foreign trade carried on. Fur imports rank eighth or ninth on the list of leading products imported.

This plays a very important part for it enables other nations to establish credits in this country based on their favorable balance of trade in furs. As purchases are made on the basis of the credits established, this provides an opportunity for the American merchants and manufacturers engaged in other lines of industry to sell about \$100,000,000 worth of goods.

Economic Importance of the Fur Industry

The industry, as it stands today in this country, gives employment to 100,000 people; 20,000 retail outlets; 2,500 manufacturing firms and skin dealers; and to 120 fur dressing and dyeing establishments. The manufacturing census for 1928, shows that the annual turnover is about \$300,000,000 in the United States, based on wholesale figures. It is estimated that our annual catch nets the trappers \$50,000,000 to \$60,000,000 a year.

"A Source That Never Fails" ^{2.}

"The world's fur crop represents an animal production of about \$200,000,000 in new wealth. Man plays his little part in breeding, trapping, gathering, and marketing of the fur skins; but Nature, assisted by wise trapping laws, does the real work. From the wild waste lands, the forests, rivers, lakes, and streams, from marsh and fen, copest and wood, plain and mountain chain, Nature pours each year a treasure of peltry into the laps of a none too appreciative people. Year after year for hundreds, yes thousands, of years past the great natural resource we call fur has never failed. Crops may die, rivers drown, forests burn, droughts wither, frosts sear, but the fur bearers, the hardy denizens of the wild, never fail to produce, to create new wealth for the nations. What natural source of wealth can point to so consistent a record?"

1. Personal Interview - Mr. W. J. Brett.

2. "Fur Trade Review Weekly, November 13, 1930 p. 2.

Economic Importance of the Fur Industry

1. "The Vastness of U.S. Fur Production."

'The U. S. is the largest fur providing country in the world', according to Paul G. Redington, Chief of the U. S. Bureau of Biological Survey.

Mr. Redington's report continues: 'The raw fur harvest is worth approximately \$65,000,000 each year to the trappers, most of whom are farm boys. The fur farming industry in the U. S. and Alaska represents an investment of \$50,000,000.'

"Fur is a gift of nature and considered a necessity in the Northern parts of our country where the climatic conditions are severe in Winter. It also keeps a good many thousands engaged in trapping, marketing, dressing and dyeing, and manufacturing into stylish and salable merchandise. The out-put of all raw furs in this country including furs trapped abroad is estimated to be \$250,000,000 annually. When manufactured and sold to the consumer the estimate is One Half Billion Dollars."

"The United States, including the Territory of Alaska, has been producing approximately \$70,000,000 worth of pelts annually for several years past. This production is greater than Canada's annual \$18,000,000 and Soviet Russia's \$35,000,000 catch combined. There are various reasons for the United States appearing as so large a producer. For example, the

1. "American Furriers and Fur Style." May, 1930, Vol. XXVII No. 4. p. 53
2. Letter. Mr. Julian A. Cohen, V. Pres & Treas. Joseph Hollander, Inc., Wilson Ave. Cor. Paris Street, Newark, N. J.

Economic Importance of the Fur Industry

valley of the great Mississippi River is, as it always has been, an ideal section for wild life, with ample cover, an unfailing supply of water, and plenty of food. Some of the fur bearers, such as the skunk and the muskrat, are found there in extremely large numbers. Louisiana alone produces 4,000,000 to 6,000,000 muskrat pelts a year and under judicious administration of her fur resources may reasonably expect to have an increased production in the course of time. The catch of muskrats in the United States is from 14,000,000 to 17,000,000 annually.

"Although trapping has been carried on throughout the entire Mississippi Basin for several generations, and in some parts of it for more than 200 years, the smaller fur bearers have been able to hold their own chiefly by reason of their fecundity, but also from the fact that their larger natural enemies have been for the most part exterminated in the region."

"Another reason for the great annual catch of American furs is that there are more trappers here than in many other countries. The population of the United States is greater per square mile than in Canada or in Siberia, and the trappers are well equipped for their work in the woods and waters."

"In addition to this great production, the United States imports furs and skins from about 80 countries. Furs are ninth on the list of the imports of the country, according to value, and twentieth on the list of exports. This country

Economic Importance of the Fur Industry

also consumes more fur than any other in the world. The total value of imports of raw and dressed furs and of manufactures from furs for 1924 was \$87,000,000; for 1925, \$115,000,000; for 1926, \$117,000,000; for 1927, \$135,000,000; for 1928, \$118,000,000; and for 1929, \$122,000,000;

"These importations include about 20,000,000 pounds of rabbit skins alone, and as these run from six to seven skins to the pound, something more than 120,000,000 rabbit skins are imported into this country annually, besides those produced here. About half the total are made up into fur garments and the other half enter into the manufacture of felt hats.

"Fur is thus seen to be an important commercial commodity. The fur industry employs many thousands, men and women who are making their living from furs and in turn are contributing to the comfort of great additional numbers of people. An industry the finished product of which is so much in demand scarcely needs apology for existence." ^{1.}

1. "Fur Resources of the United States." p. 1 & 2.
United States Government Printing Office, Washington, D.C.

Chapter 13

The Future of The Fur Industry

While making a diligent research and study of the material required for this thesis, the writer naturally familiarized himself with the names of leading firms in all branches of the industry; he learned something about their history, ability, character and general attitude towards a number of complicated problems existing in the fur trade.

It is generally agreed that furs were largely considered to be a luxury until about 1920. Since then, furs have become a necessity to an increasing number of people, particularly to women. Although furs will be looked upon as a luxury by some, leaders in the trade predict that lower prices will stimulate a greater demand in the future.

The Fur Industry, like other industries, expanded during the last period of prosperity. It was, up to and including 1927, during the time that it was actively engaged under the most favorable conditions, a thriving industry.

All those engaged in the industry agree that it has been dangerously ill during the past three and a half years. Conditions existing within the industry, and conditions existing in all business are primarily responsible for the present period of depression.

The world wide slump in business activity has affected not only the national but also the international volume of business carried on by the fur trade during 1930. It is

The Future of the Fur Industry

estimated that the national volume of business has declined about 40 per cent, as compared with 1929, that exports have declined about 45.5 per cent and imports have declined about 23 per cent.

It is not the purpose of this chapter to discuss in detail the causes which brought about this state of affairs. However, it is proposed to discuss the remedies which might prove most practical and successful in lending more stability to the fur industry, a factor absolutely essential to assure more satisfactory results in the future.

Among the most important remedies suggested to improve the present situation, are the following:

1. Advertising.
2. Statistics.
3. Accounting.
4. Financing.
5. Marketing and Distribution.

The quality of Advertising ought to be improved. It is well recognized that there is much need of educating the consumer in order to stimulate demand and to maintain the confidence and goodwill of the public.

Unfortunately, there is a notable lack in both the kind and quantity of reputable statistical data. Work in this direction is well under way to provide those engaged in all branches of the fur trade with the proper and necessary Statistics which will enable them to carry on business more intelligently.

Lack of proper Accounting has been observed in several branches of the trade. The general accounting is carried out as well as might be expected because of the pressure from

The Future of The Fur Industry

banks and credit bureaus for Financial Statements. Much remains to be done in introducing proper Cost Accounting methods and in the accumulating of important statistical data in those branches of the trade where this has been neglected.

With respect to Financing, there is much that can be done to improve the present credit situation. Selling goods on memorandum is an evil that should be abolished. Furthermore, credit should be extended only to those found worthy. Credit terms should not be over extended.

The most important problems arise in Marketing and Distribution. Furriers are dealing in a product which is harvested and collected in winter. This product is purchased at a period of the year which is furthest removed from the period when it is consumed. It is a product which is subject to the whims of fashion and therefore hard to control. This causes two major difficulties, rapidly rising or falling prices which react and cause an increase in the number of insolvencies. The most glaring deficiency in the present system is the lack of intelligent cooperation between manufacturers and retailers. Ways and means to improve the present methods of Marketing and Distribution must be solved in order to iron out the existing difficulties.

The most recent reports state that the industry is entrenched on a much sounder basis. A slight increase in business was reported during November, 1930 as compared

The Future of the Fur Industry

with the same month in 1929. A larger increase is recorded for December, 1930 and January, 1931 as compared with a year ago. Prices have become stabilized and are reaching slightly higher levels.

The future of this Industry is more dependent upon supply than it is on the demand. Everyone is positive of an ever increasing demand, but they are more or less skeptical about the supply. However, those that know, say that if the natural supply is not large enough, that it will be supplemented by fur ranching or farming in order to fulfill the demand.

References: "Fur Trade Review Weekly."

September 11, 1930 p.5

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February 5, 1931 pp 1 & 3

Mr. J. H. Bleistein.

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Appendices

Appendices 1

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Appendices 2.

Statistics, Charts, and Graphs.

"IPA Figures on World Production of Fur Skins,"¹

"In connection with the IPA Exposition, the Committee on Statistics has compiled some interesting data concerning the world's supply of fur skins. The following figures are of course approximate, but are nevertheless surprising."

Production of Skins for the year 1928.¹

Rabbit	200 000 000.	Weasel	600 000.
Sheep and Lamb	26 000 000.	Mink	570 000.
Mole	20 000 000.	Kolinsky	400 000.
Muskrat	16 500 000.	Coyote	350 000.
White Hare	11 000 000.	South American Fox	300 000.
Squirrel	10 000 000.	Baum marten	240 000.
Ordinary Squirrel	7 000 000.	Stone marten	240 000.
American Opossum	6 500 000.	Nutria	200 000.
Susliki	6 000 000.	White Fox	170 000.
Peschanki	5 000 000.	Otter	150 000.
Skunk	5 000 000.	Beaver	150 000.
Marmot	4 000 000.	Wild Cat	120 000.
Persian, broadtail, and krimmer	3 250 000.	Wolf	90 000.
Kid	3 000 000.	Silver fox	80 000.
Australian Opossum	2 500 000.	American marten	75 000.
Ermine	2 000 000.	Lynx	58 000.
Jap Mink	1 250 000.	Seal	65 000.
Red Fox	1 750 000.	Leopard	23 000.
Fitch	1 500 000.	Blue Fox	23 000.
Ringtail Opossum	800 000.	Siberian sable	15 000.
Pony	700 000.	Wolverine	6 000.
Raccoon	700 000.	Chinchilla	500.

1. "Fur Trade Review" - Special number "IPA" June 1930.No.9p. 126.

Statistics, Charts and Graphs

IMPORTATIONS OF FURS INTO THE UNITED STATES DURING THE CALENDAR YEARS 1928 and 1929

Articles	Unit of Quantity	1928		1929	
		Quantity	Value	Quantity	Value
<u>Furs & manufactures</u>			\$118,355,236		\$122,528,580
<u>Furs, undressed</u>			108,782,775		108,528,965
Karakul	Number	149,470	249,084	273,178	487,095
Ermine	do	503,918	1,470,246	916,571	2,277,186
Fitch	do	1,343,455	5,259,520	1,199,325	4,883,009
Guanaquito	do	438,523	1,602,279	126,551	324,981
Kolinski	do	526,489	2,166,560	638,025	2,227,515
Marmot	do	2,362,090	4,378,408	2,243,415	3,754,268
Weasel	do	1,501,737	2,925,069	1,582,183	2,778,385
Monkey	do	269,409	633,648	272,334	592,187
Otter	do	36,887	471,041	38,601	436,835
Opossum	do	559,171	667,553	622,739	771,158
Hare	Pound	2,191,709	3,249,707	2,257,356	3,410,617
Beaver	Number	109,925	2,983,463	69,515	2,022,315
Fox other than silver or black	do	1,711,933	16,465,125	1,695,806	16,296,254
Coney & rabbit	Pound	16,297,378	20,270,001	17,495,090	19,610,808
Marten	Number	145,765	3,209,340	213,643	4,017,028
Mink	do	682,239	3,442,816	863,380	3,926,119
Mole	do	10,283,625	1,305,637	1,822,927	229,837
Muskrat	do	805,126	1,076,841	980,519	1,268,563
Squirrel	do	8,065,596	7,942,049	7,013,284	5,134,070
Nutria	do	43,605	239,678	37,620	214,864
Pony	do	51,306	295,511	195,448	670,214
Skunk	do	190,043	354,153	196,570	483,966
Wolf	do	144,922	2,461,042	157,959	2,535,975
Lamb, kid, sheep & goat skin furs	do	8,434,972	15,616,893	9,841,451	20,812,432
Other furs, undressed			10,058,111		8,883,284

1. Undressed furs are admitted free.

"Fur Resources of the United States." Page 45.

IMPORTATIONS OF FURS INTO THE UNITED STATES DURING THE CALENDAR YEARS 1928 and 1929
(cont'd)

Articles	Unit of Quantity	1928		1929	
		Quantity	Value	Quantity	Value
Furs dressed on the skin not advanced beyond dyeing ¹					
Coney & rabbit	Number	2,918,532	\$ 7,131,067	3,701,839	\$ 11,984,095
Silver or black fox, dressed or undressed	do	1,857	195,780	1,166	1,846,025
Lamb, kid, and sheep skin furs	do	234,947	705,772	329,455	1,331,903
Dog and goat skins, dyed and dressed	do	1,258,104	4,166,700	2,821,229	7,877,008
Other dressed furs	do		871,283		795,321
Manufactures of furs (except hats):					
Cut fur for hatters use, including fur skins carroated	Pound	44,088	69,951	26,781	59,063
Plates and mats of dog and goat skins	Number	331,535	1,384,165	422,452	1,576,845
All other manufactures not elsewhere specified			987,278		859,612

1. Dressed furs are dutiable.

Statistics, Charts, and Graphs

"58 Years Of Foreign Trade"¹

"The following figures, prepared by the U.S. Department of Commerce, give the imports and exports of furs and fur manufactures over a period of 58 years:"

(In thousands of dollars.)

Yearly Average**	Imports	Exports
1871-1880	\$ 4 192	\$ 3 473
1881-1890	7 233	4 489
1891-1900	9 466	3 635
1901-1905	15 033	5 528
1906-1910	21 468	9 313
1911-1915	19 222	12 520
1916-1920	50 594	19 214
1921-1925	79 839	22 507
1921	40 058	14 861
1922	68 110	22 342
1923	87 975	22 619
1924	87 706	26 130
1925	115 349	26 583
1926	117 411	23 216
1927	135 574	30 892
1928	118 355	39 543
1929	122 529	35 674

* Fur-felt hats included prior to 1911.

** Fiscal years, 1871 to 1915.

1. "Fur Trade Review"
Special "IPA" number.
June 1930. P. 97.

Statistics, Charts and Graphs

Statistics, Charts, and Graphs
"The Dressed Fur and Fur-Goods Industries." 1

Indus-try & year	Estab-lish-ments	Wage Earners (average number)	Prim-ary horse-power	Wages	Cost of Materials	Value of Products	Value added by manufacture
Dressed furs:							
1899	92	835	1 063	\$478 190	\$519 699	\$1 400 455	\$ 880 756
1909	93	1 241	2 103	806 468	810 800	2 390 959	1 580 159
1914	96	1 525	2 207	922 966	906 036	2 875 036	1 969 000
1919	141	5 075	5 421	7 098 286	6 338 853	20 384 569	14 045 734
1921	126	4 429	(1)	6 758 712	6 070 474	19 157 339	13 086 865
1923	162	5 203	7 776	8 381 453	7 241 783	25 466 841	18 225 058
1925	133	25 056	9 858	8 205 892	7 296 408	25 422 663	18 126 255
1927	168	5 468	12 397	10 109 356	6 919 408	27 357 261	20 437 853
Percent charge from 1925	+ 26.3	+ 8.1	+ 25.8	+ 23.2	- 5.2	+ 7.6	+ 12.8
Fur goods:							
1899	734	7 758	907	3 927 214	14 281 092	25 999 192	11 618 100
1909	1 241	11 927	2 120	7 787 845	31 776 905	55 937 549	24 160 644
1914	1 322	9 030	3 225	6 344 661	23 847 402	43 632 693	19 785 219
1919	1 815	13 639	5 327	24 149 212	105 596 605	173 137 739	67 541 134
1921	1 707	12 052	(1)	22 421 193	84 536 855	139 365 929	54 829 074
1923	1 758	14 439	4 299	27 923 042	126 162 143	198 042 571	71 880 428
1925	2 000	16 556	4 985	35 164 292	159 315 693	254 265 708	94 950 015
1927	2756	16 640	5 655	37 670 610	195 322 988	299 615 047	104 292 059
Percent charge from 1925	+ 37.8	+ 0.5	+ 13.4	+ 7.1	+ 22.6	+ 17.8	+ 9.8

1. Commerce Year Book, 1929. Volume 1.
Table 48. Page 539
(Note) 1. Not called for in schedules for 1921.

Statistics, Charts, and Graphs

"Census of Manufacturers: 1929."1

Group number	Industry	Number of establishments	Wage earners (average for year)1	Wages3	Cost of materials containers for products, fuel, and purchased current2	Value of products3	Value added to manufacture3
16	Fur goods	2 844	15 938	\$33 988 486	\$175 654 080	\$277 058 936	\$101 404 856
16	Furs dressed	224	4 215	8 036 260	16 799 984	34 656 407	17 856 423
2	Hats, fur felt	156	16 350	22 285 902	54 664 556	101 008 770	46 344 214

1. "Census of Manufacturers." December 31, 1930. Page 4.
 Summary of Industries.
 U. S. Department of Commerce,
 Bureau of the Census,
 Washington, D. C.

FOOTNOTES - Page 8.

1. Not including salaries employees-
2. Manufacturers' profits can not be calculated from the census figures because no data are collected for certain expense items, such as interest on investment, rent, depreciation, taxes, insurance, and advertising.
3. Value of products less cost of materials, containers for products, fuel, and purchased current.
4. -----

Statistics, Charts, and Graphs

"Returns and Allowances In The Retailing Of Furs,"¹

"A Recent Government Survey Of Retail Sales By Fur Stores Shows Excessive Percentage Of Adjustments On Furs Sold For Cash - Both Of Fur Retailing Done On Open Credit-Installment Selling 11 Per Cent Of Total."

- - - - - "All Sales figures in the report are for net sales and all percentages are based on net sales figures, except returned merchandise percentages which are based on gross sales."

Kinds and Extent of Credit Business of 124 Fur Goods Stores

in 1927. (In thousands of dollars.)

<u>Kinds of Sales</u>	<u>Cash</u>	<u>Open Credit</u>	<u>Instal- ment Credit</u>	<u>Total</u>
Cash only (40 stores)	2 484	- - -	- - -	2 484
Cash and open credit only (57 stores)	1 987	6 734	- - -	8 721
Cash and installment credit only (7 stores)	480	- - -	1 256	1 736
Cash, open credit, and installment credit (20 stores)	957	1 411	505	2 873
Total Sales (124 stores)	5 908	8 145	1 761	15 814
Per cent of total sales	37.3	51.5	11.2	100

1. "Furs for Department Stores and Specialty Shops."

Vol. 4. No. 10. August 1930. PP. 10, 12, and 23.

This data concerning furs is from Part 1 of a nation wide survey of retail credit made by the Department of Commerce, at the request of the National Retail Credit Association.

Statistics, Charts and Graphs

Losses From Bad Debts of 84 Fur Goods Stores in 1927,

Grouped According to Total Volume of Sales.

Classification Sales Volume	Stores	-OPEN CREDIT-		-INSTALLMENT CREDIT-	
		Ratio bad debts to credit sales Per cent	Ratio bad debts to total sales Per cent	Ratio bad debts to credit sales Per cent	Ratio bad debts to total sales Per cent
Less than \$25 000	8	5.8	2.1	7.5	1.0
\$ 25 000 to 49 999	12	.8	.3	.8	.3
50 000 to 99 999	21	1.3	.7	1.1	.2
100 000 to 249 999	26	.6	.4	.7	.2
250 000 to 499 999	6	.6	.4	1.4	.4
500 000 to 999 999	3	1.4	1.0	.5	.2
1 000 000 and over	1	.2	.1	-	-

Statistics, Charts and Graphs

Returns and Allowances of Fur Goods Stores in 1927, Grouped According to Total Volume of Sales.

(Percentage based on gross sales)

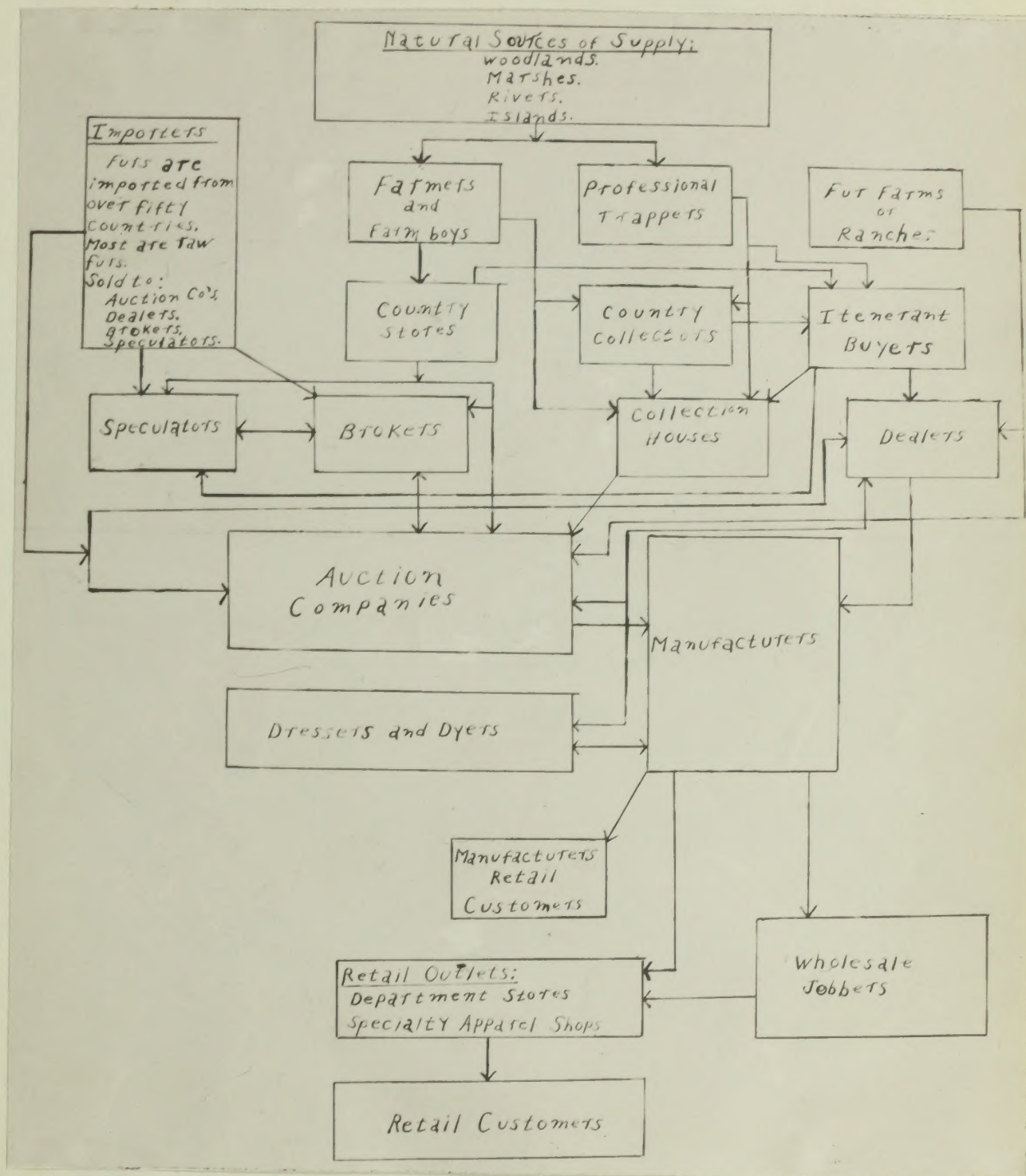
Classification Sales Volume	Stores	CASH Per cent returns and allowances	Stores	OPEN CREDIT Per cent returns and allowances
Less than \$25 000	3	3.2	4	6.7
\$ 50 000 to 99 999	5	3.5	8	3.3
25 000 to 49 999	3	1.8	4	3.7
100 000 to 249 999	5	17.3	10	6.0
250 000 to 499 999	-	- -	3	9.0
500 000 to 999 999	-	17.7	3	5.4
1 000 000 and over	-	- -	-	- -

Statistics, Charts, and Graphs

Terms of Installment Sales of 26 Fur Goods Stores in 1927.

Store No.	Down payment per cent	Number of payments	Life of con- tract months
1	10	10	10
2	10	10	10
3	10	10	10
4	10	10	10
5	10-25	4-10	4-10
6	10-33	6-12	6-12
7	11-24	10-12	3-6
8	11-24	7-12	7-12
9	25	10-12	10-12
10	25	12	12
11	25	10-12	12-15
12	25	4	4
13	25	3-15	3-9
14	25	3-8	3-8
15	25	6-12	6-12
16	30	10	2 $\frac{1}{2}$
17	33 $\frac{1}{3}$	12-48	7-12
18	33 $\frac{1}{3}$	3	3
19	33 $\frac{1}{3}$	8	8
20	33 $\frac{1}{3}$	8	8
21	33 $\frac{1}{3}$	4	4
22	33 $\frac{1}{3}$	6	6
23	33 $\frac{1}{3}$	6	6
24	33 $\frac{1}{3}$	3-9	3-9
25	50	5-7	12
26	50	6	6

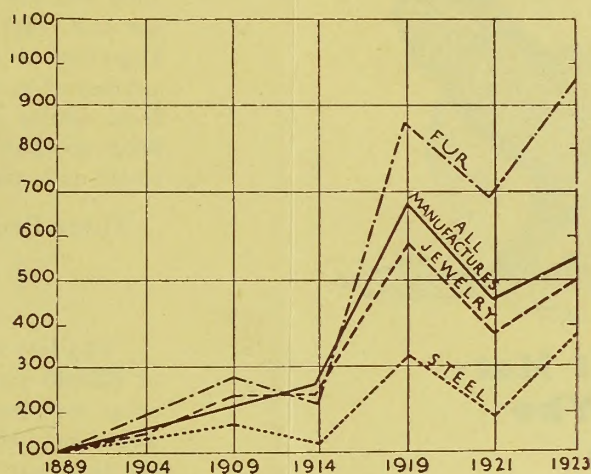
Chart Showing the Flow of Furs From the Original Source of Supply to the Ultimate Consumer



Note: This is a complex industry, hence the overlaps

TREMENDOUS INCREASE IN FUR PRICES

*Index of the value of products—fur, jewelry, steel,
all manufacturers in United States. Base 1889-100.*



The above chart was reproduced from a bulletin issued by the United States Census Bureau. The price of various basic commodities increased during the period for 1889 to 1923 as follows:

Steel	275%
Jewelry	405%
All manufactured products	444%
FURS	864%

1. Letter

Mr. Carl Halstrom Salesmanager
The United States Silver Fox Farms, Minneapolis, Minn.

Appendices 3

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3. Furs for Department Stores and Specialty Shops.
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15 West 37th Street,
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Joseph Ulman Brokerage Corporation,
376 Seventh Avenue,
New York City, N. Y.
2. Mr. W. J. Brett, Editor
Fur Trade Review
224 West 30th Street
New York City, N. Y.
3. Mr. Nathan Taffer, Dealer
115 West 30th Street,
New York City, N. Y.
4. Mr. R. L. Ridley,
New York Auction Company, Inc.,
226 West 26th Street,
New York City, N. Y.

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5. Mr. Samuel M. Raddler, Plant Superintendent
A. Hollander & Sons Inc.,
Newark, N. J.

D. Personal Interviews (cont.)

6. Mr. H. D. Pollock, Proprietor
The Furriers Supply Company,
330 Seventh Avenue,
New York, N. Y.
7. Mr. Fred G. Kakas, President
Edward F. Kakas & Sons, Inc.,
93-95 Newbury Street,
Boston, Massachusetts.
8. Mr. T. Wagenhouzen, Asst. Credit man to Mr. Van Pelt.
The Bank of America
26th St. & Seventh Avenue,
New York City, N. Y.
9. Mr. J. H. Bleistein, Proprietor
J. H. Bleistein, Inc.,
130 West 30th Street,
New York City, N. Y.
also
President,
The American Fur Merchants' Association, Inc.,
333 Seventh Avenue,
New York City, N. Y.
10. Mr. Urbain Robert, C.P.A.
Partner, Danforth Magee & Robert
Park Square Building
Boston, Massachusetts.
11. Mr. Edward M. Peters, President
Edward M. Peters Co., Inc.,
40 Broad Street
Boston, Massachusetts.

E. Correspondence:

1. Mr. Julian A. Cohen, Vice Pres. & Treas.
Joseph Hollander, Inc.,
Wilson Avenue Cor. Paris Street,
Newark, New Jersey,

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E. Correspondence (cont.)

2. Mr. E. L. Lange, Chief Chemist
Fouke Fur Company,
1328 South Kings Highway,
St. Louis, Mo.

3. Mr. M. Cohen
Isaac A. Shoen & Sons,
249-251 West 29th Street,
New York City, N. Y.

4. Mr. Carl Halstrom, Salesmanager
The United Silver Fox Farms,
Minneapolis, Minn.

5. Dr. Nauen, Chief Secretary
International Federation of the Fur Industry,
Leipzig C I
Brühl 70, Germany.

Appendices 4

A List of Important Fur Bearing Animals

Alaska Red Fox	(d) Persian
Alpaca	Leopard
American Marten	Lynx
Arctic Fox	Marmot
(a) Blue	Mink
(b) White	(a) Northern
Baby Seal	(b) Eastern
Badger	(c) Western
Barunduki	(d) Southern
Baum Marten	(e) Russian
Bear	(f) Japanese
Beaver	Mole
Calf	Monkey
Cat	(a) Black
(a) Civet Cat	(b) White
(b) House Cat	Muskrat
(c) Lynx Cat	(a) Northern
(d) Wild Cat	(b) Southern
Chinchilla	(c) Natural Black
Dog	(d) Russian
(a) Chinese	Nutria
Ermine	Ocelot
Fisher	Opossum
Fitch	(a) American
Fox	(b) Australian
(a) Black	(c) Ringtail
(b) Blue	(d) Tasmaninian
(c) Cross	Pony
(d) Gray	(a) Russian
(e) Kitt	Rabbit
(f) Red	Raccoon
(g) Silver	Sable
(h) South American	(a) Russian
(i) White	Seal
Genet	(a) Alaskan
Goat	(b) Russian
Hamster	(c) Japanese
Hare	(d) South African
Kangaroo	Skunk
Kid	Squirrel
Kolinsky	Stone Marten
Lamb	Susliki
(a) Broadtail	Weasel
(b) Caracul	Wolf
(c) Krimmer	Wombat

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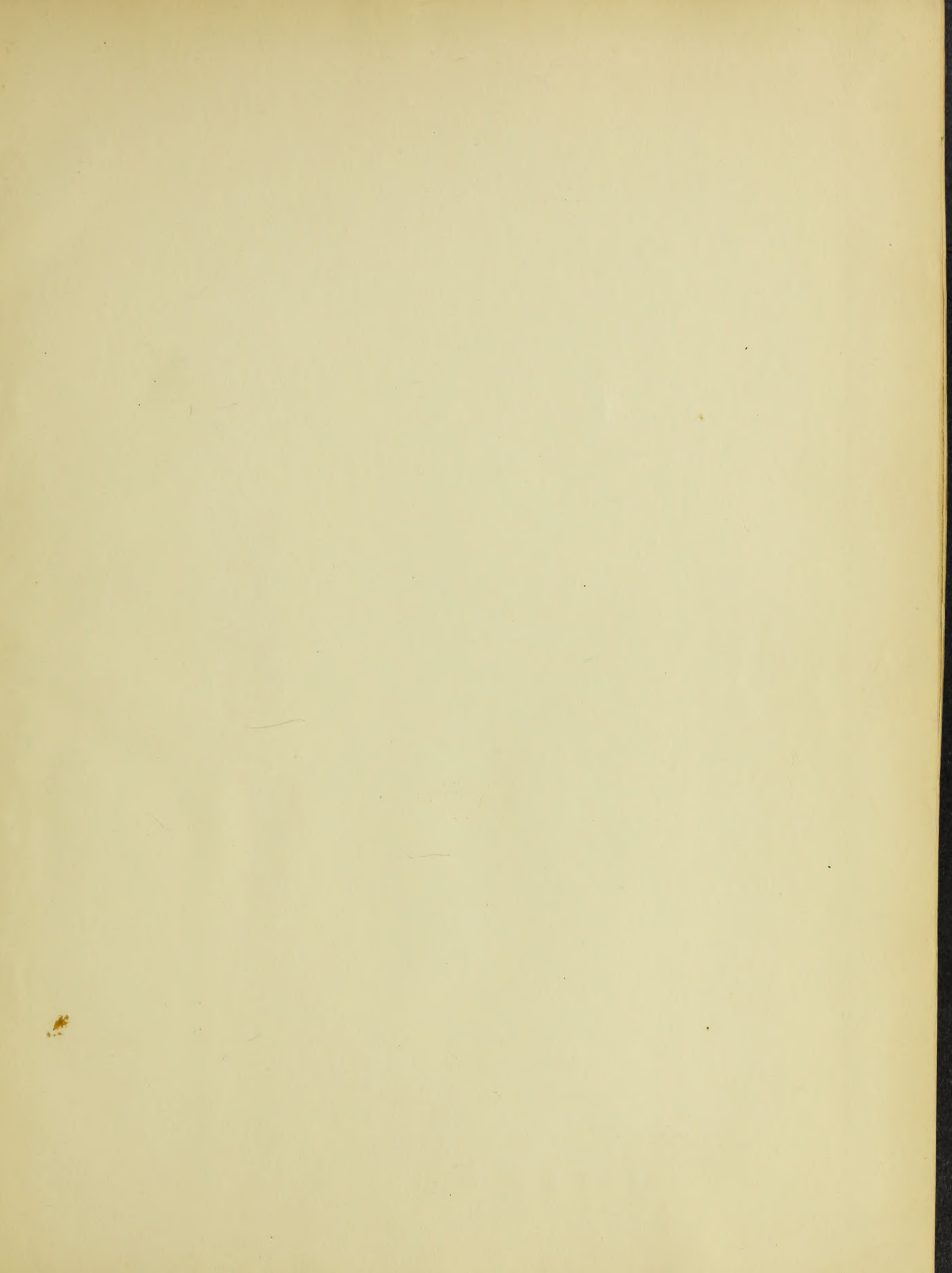
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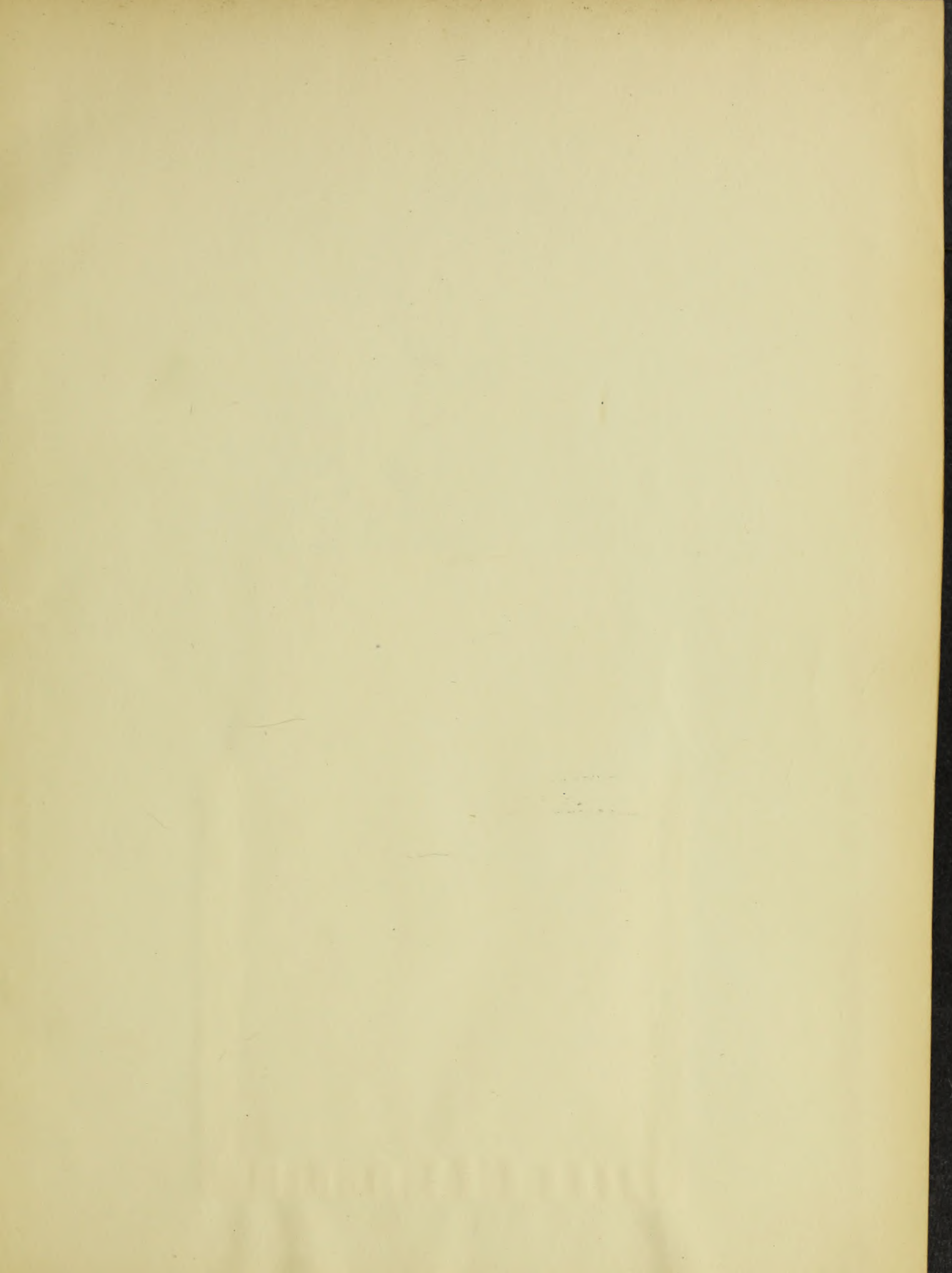
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